

TV 'rape' woman is accused

Police officers interviewing a woman who told them she had been raped by three men, accused her of lying and told her she could not have a medical examination until they were sure of her story. A film of the interview was broadcast last night in the BBC documentary, *Police*. Page 3

Tokyo-Manila links strained

Tokyo's relations with Manila are tense after the Philippines admitted that its air force fired on a Japanese tanker. Manila said it suspected the ship was helping terrorists, and it had ignored orders to stop. There were conflicting claims on whether she was inside Philippines waters. Page 7

Paisley on US TV shows

The Rev Ian Paisley succeeded in overcoming a ban on entry to the United States by appearing on two big breakfast television news programmes broadcast from the Canadian Broadcasting Corporation's studios in Toronto. However, his first press conference in the city was hostile. Molyneux pledge, page 3

Brixton move by Whitelaw

Mr William Whitelaw, the Home Secretary, and police officers, councillors and community representatives had a "constructive" two-hour meeting aimed at setting up a liaison committee in Brixton, south London, the scene of rioting last year. Whether the body should be statutory remains open. Page 2

Court action over ACC

The Australian financier Mr Robert Holmes à Court could succeed by Thursday in his £36m takeover bid for Associated Communications Corporation. A High Court move today by director Mr Jack Gill, the dismissed managing director, to halt any transfer of shares is thought likely to fail. Page 17

Neo-Nazis tried for murders

The trial of four neo-Nazis has begun in a maximum security court in Stammheim jail, Stuttgart. Manfred Röder and two others are accused of murders arising out of bomb attacks against immigrants. Page 5

Labour support in unions lags

The latest MORI poll indicates that more than half of Britain's trade union members believe the Labour Party will lose the next general election. About 56 per cent of those questioned said they would vote for the SDP-Liberal Alliance. One fifth favoured union affiliation to the SDP. Page 4

Damper for French radicals

President Mitterrand of France has suffered his worst defeat in power with by-election losses and the constitutional curb on his nationalization programme. His balance of power is not immediately affected, and he may view the defeat as a damper on the more radical members of his party. Page 5

Nkomo rebuff

Mr Joshua Nkomo, leader of the Patriotic Front, the second party in Zimbabwe's coalition Government, has dismissed claims by Mr Robert Mugabe, the Prime Minister and head of the Zanu (PF) Party, that talks would start to merge their parties. Page 6

New orchestra

Supporters' clubs are being formed as part of a film project to set up a new professional full-time orchestra in the Midlands. The clubs will provide funds, publicity and audiences. Page 4

French cancel

The FA have agreed to a request by France to cancel their international football match against England on March 24. France felt the match was too close to their World Cup encounter with England. Page 21

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Letters: On Liberals and SDP, from Mr Roger Pincham; Telecom's efficiency, from Sir George Jefferson, and Mr G. B. Napier.
Leading articles: France; Stamp duty; Zimbabwe.
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President Reagan's first 365 days: The new man who has to sell the Tory Party: Why the Government should not sell its officials: Fashion, what to wear at a cruise.
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Senior Ramon Sender, Air Vice-Marshal Sir Thomas Shirley.

Poles in secret talks with Solidarity to reform union

From Roger Boyes, Warsaw, Jan 18

The struggle is on for the hearts and minds of Polish workers. The Government has been holding a series of secret talks with members of the Independent Solidarity leadership to persuade them to head a new non-political, and therefore neutral, union.

At the same time, Solidarity activists still at large have been rebuilding the movement underground, with many former supporters, especially on the fringes of universities, returning to help.

One activist told *The Times* that Solidarity was now ready to produce a regular weekly newspaper, although most of the suspended union's printing presses had been seized after the declaration of martial law on December 13.

There was sufficient paper available and journalists were beginning to submit articles. Ironically, the purge of Solidarity members or sympathizers from newspapers such as *Zycie Warszawy* and *Kurier Polski* has created a rich source of information for the newspaper. The organizers are hoping to start publication to coincide with the resumption of the university term on February 4.

Communication among Solidarity members has so far been confined to irregularly produced bulletins of about two pages which give news of internees and the purges in the ministries and elsewhere. About four such bulletins are in circulation in the Warsaw region alone and there have been fears among Solidarity members that at least one of the bulletins contains "disinformation": planted false information that undermines the credibility of the other news sheets. The dissemination of false information—as defined, of course, by the judiciary—is liable to between two and eight years imprisonment.

A Solidarity bulletin earlier this month carried appeals to potential underground organizers. "Create secret factory commissions, carry on collecting union funds and spend them on the persecuted and their families, organize lists of those arrested or dismissed from their jobs for their trade union activity—with the addresses

and names of their work places—and also people persecuting activists. Distribute leaflets and texts with accounts of events and with information giving examples of resistance. Write slogans on walls, leave the party, wear Solidarity badges, sabotage by scrupulous working to rule. Our weapon against their tanks is a snail."

There are signs that Solidarity members are following this advice. Slogans are being daubed on walls—especially in Warsaw's old town where the lighting is poor—though they are often painted out by the morning.

A visit to Cegielski engine factory showed workers wearing Solidarity badges. The latest party membership figures show that apart from a substantial number of expulsions (1,100 in three weeks) over a thousand others had been crossed off the lists, presumably at their own request.

Mr Larry Pressler, the American Senator who met Archbishop Józef Glemp, the Polish Primate, at the weekend, says the Church is becoming increasingly impatient with the entrenched positions of both sides. Speaking of Mr Glemp, the Primate is reported to have said: "He is determined that the Church should not be seen as taking sides."

Mr Pressler, who serves on the Senate foreign relations committee, said Archbishop Glemp also remarked that he was unsure how long General Jaruzelski, the Polish military leader, would retain his position. The underground is gathering strength above all because the Government has been unable to come up with an alternative trade union, and that in turn is largely because it has been unable to find a new leader. Mr Lech Walesa has remained stubbornly silent.

Official reports that the Government wants to release him are almost certainly true, he is a considerable embarrassment to the authorities. The Government cannot afford to release him before he agrees to head the new union. To have Mr Walesa free and without a role would be too dangerous and he would no longer be a threat.

Heseltine gives London boroughs extra £60m

By Hugh Noyes, Parliamentary Correspondent

The London Transport fares saga took another unexpected turn yesterday when Mr Michael Heseltine, Secretary of State for the Environment, told the House of Commons that the black grant payable to the London boroughs in 1981-82 was to be increased by £60m as foreseen in *The Times* last week.

That resulted from the decision of the Greater London Council to reduce the level of the subsidy to London Transport to its former level, after the House of Lords ruling on the GLC's cheap fares policy.

Mr Heseltine, who was opening the debate on the second reading of the Local Government Finance (No 2) Bill, said that the increase was on the basis that the GLC's previous budget. The boroughs would recover the grant in February and March this year.

He would be taking steps to ensure that the necessary adjustments were made immediately in the supplementary rate support grant to be published later this month.

Mr Heseltine told MPs that the London Boroughs Association was advising individual boroughs to credit ratepayers who had paid the supplementary rates levied to meet the unlawful GLC precept, or to make repayments to them if a refund was requested. It required a sanction to make credits or repayments, he would give sympathetic consideration to granting such a sanction.

As the second reading opened, it was soon clear that this controversial measure, even in its revised state, is still likely to be not entirely to the liking of many Tory MPs, let alone the official Opposition.

The Bill, with its proposals to remove from local authorities the power to levy supplementary rates, would place those authorities in the tightest squeeze they had ever coped with, Mr Gerald Kaufman, Labour's spokesman on the Environment, said.

He pointed out that local government was vehemently opposed to the bill.

Peace on railways hinges on Acas

By Donald Macintyre, Labour Correspondent

The remaining hopes of averting a repeat of last week's two-day national train drivers' strike from tonight lie with fresh meetings called by the Advisory, Conciliation and Arbitration Service (Acas) for today.

The Associated Society of Locomotive Engineers and Firemen's executive will not, however, decide until this morning whether to allow Mr Ray Buckton, the union's general secretary, to attend the talks called by Mr Pat Lowry, Acas chairman.

The invitation to separate meetings, issued last night and accepted immediately by leaders of the other two rail unions and by the British Railways Board, came after a day in which Mr Lowry studied in search of a possible basis for a compromise.

As rail services returned to about 75 per cent of normal levels after Sunday's train drivers' strike, about 50 per cent of last night's Southern Region inner suburban services from London Bridge were cancelled because of unofficial action by about 40 guards. They were striking against proposals for flexible rosters which lie at the heart of the Aslef dispute, but on which their own union, the National Union of Railwaymen, have reached agreement with BR.

Last night Acas officials were reluctant to hold out strong hopes of being able to break the deadlock between Aslef and BR, which has withheld a second-stage 3 per cent pay increase.

A request for an emergency Commons debate on the dispute was rejected by the Speaker, Mr George Thomas. BR showed no enthusiasm for a proposal floated in union circles outside Aslef and compatible with the statement by Mr Len Murray, general secretary of the NUR, that BR should pay the 3 per cent and that the rostering issue should then be put to binding arbitration.

BR was understood to have made it clear that it would not pay the rise or shorten the drivers' working week to 30 hours, and not to commit to the principle of flexible rostering.

Mr Buckton underlined the mood of pessimism by saying that Mr Lowry had indicated that he would not be involved in the dispute at present in conciliation terms.

Mr Sidney Weighell, general secretary of the NUR, said he was concerned that the industry was "bleeding to death". BR said that flexible rostering stood to save them a potential 1,150 drivers' jobs. Successful negotiations on single manning by train drivers could save another 2,250 drivers' jobs. Flexible rostering, already agreed with the NUR, was intended to save up to 550 jobs.

Heart of the dispute, page 2

Can't depend on anything -
BR STRIKE PEACE?



Detectors examining the body of Colonel Ray lies in the Boulevard Emile Augier.

American diplomat shot dead in Paris

From Charles Hargrove, Paris, Jan 18

The deputy military attaché of the American Embassy in Paris, Lieutenant Colonel Charles Ray, aged 43, was shot dead this morning outside his home in the smart residential district of Passy.

The diplomat, who is married with two teenage children, was walking towards his car, parked 100 yards away about nine o'clock, when a gunman, stepped out from a hiding place, walked up to Colonel Ray and fired at close range. The bullet hit him in the back of the neck.

According to doctors, he appears to have died instantly. A passer-by who saw the body on the pavement alerted the concierge of a neighbouring block of flats who summoned the police. When an ambulance arrived a few minutes later, it was too late.

There was only one witness, a police officer who was going on duty at the time, but he saw the gunman only indistinctly, and from the back. He was short and with long hair. After pausing to ascertain that his victim was dead, the murderer strode briskly away up the tree-lined street.

Investigation of the special branch are being discreet about the evidence they have gathered so far, but it would appear that his description corresponds to that of the man of medium height and Middle Eastern appearance, who attempted to shoot the American Charge d'Affaires in Paris, Mr Christian Chapman, on November 12 last. Mr Chapman escaped death by diving under his car while the gunman fired six shots at close range.

The attempt to shoot Mr Chapman was also made as he walked from his home to his parked car, and the weapon used on both occasions was a .765mm revolver. One single cartridge case was found on the pavement this morning near to Colonel Ray's back.

President Mitterrand, who was entertaining Mr Evan

Kenneth Galbraith, the new American Ambassador to Lebanon today, sent a telegram to him this morning expressing his emotion over the "cowardly attack". He said the Government would spare no effort to shed light on the crime. The Prime Minister's office also confirmed that it would do everything to discover the author of this "odious crime".

Beirut: A little-known Lebanese group claimed responsibility for killing Colonel Ray in Paris and said that it might strike again (Reuters reports).

The claim came in a letter in Arabic, signed by the Lebanese Armed Revolutionary Faction and delivered to a news agency office in Beirut. The letter accused the United States of leading a fascist, Zionist, reactionary alliance against the Lebanese People.

A group with an almost identical name, the Lebanese Armed Revolutionary Faction-Saleh el-Misri Group, claimed responsibility for the attack in November on Mr Chapman.

Washington: The White House said the murder was the tragic outcome of the spread of worldwide terrorism (Our Washington Correspondent writes).

Mr Alexander Haig, the Secretary of State, said in a press statement that the murder "fills me with grief and sympathy for his family and friends and with revulsion for the assassin who killed him."

Mr Haig added: "It also strengthens my belief that terrorism is one of the most serious problems of our time and one which all civilized nations must redouble their efforts to combat."

He said this attack would not inhibit the United States from continuing to carry out its diplomatic activities.

'Gormley has betrayed us'

By Paul Routledge, Labour Editor

Mr Arthur Scargill, the left-wing president-elect of the National Union of Mineworkers, yesterday as good as conceded defeat in the secret ballot. He accused his old rival, Mr Joe Gormley, the retiring moderate president, of "an act of betrayal without parallel in the history of the NUM."

It now seems unlikely that the miners' executive will get the 55 per cent support from the men that is required under NUM rules before national industrial action may be mounted. Only a massive "Yes" from South Wales colliers, who vote today, could rescue the union leadership from the ignominy of being rejected by their members in the pits.

The miners' leaders gathered in their headquarters in Euston Road, London, this morning in an atmosphere of political bitterness unusual even for them. Left-wingers are baying for Mr Gormley's job, and the Scottish craftsmen yesterday called on him to resign rather than wait until his formal retirement date of April 4.

But there will be an element of "I told you so" in the moderate camp, some of whose leaders argued from the first that the National Coal Board's 9.5 per cent pay offer was acceptable, and should have been recommended to the men. Mr Gormley took that view, and his eye-of-poll message inviting miners to reject the militant path and take the £102m coal board package appears to have had a decisive effect.

Mr Scargill, who takes over the reins of power on April 5 after winning a landslide majority in a four-cornered contest last month, said yesterday: "The president's disgraceful conduct in openly urging support for coal board policy and opposing his own union is an act of betrayal without parallel in the history of the NUM."

His use of the capitalist press to express his support of the coal board's pay offer and influence his members to oppose their own union can only be described as collaborationist. The NCB, who posted copies of Gormley's article [in the *Daily Express*] at pits

throughout the British coalfield, knew how divisive intervention would be and the confusion it would create."

However, on a visit to the Yorkshire and Durham coalfields the week before Mr Gormley's intervention, I did not discover the overwhelming pressure for a strike that might have been suggested by the unanimous executive recommendation, and its subsequent 109-3 endorsement by a special delegate conference.

Many reasons were suggested by activists, and the coal board, for that marked reluctance to take on the Government. By present standards, the offer was regarded as good, even though it did not meet the inflation rate. The board's propaganda was pervasive and persuasive.

The passionate sentiments expressed during the mid-December breakdown of negotiations had cooled over the long Christmas break, and on an unsentimental level men broke after the holidays were attracted by the thought of up to £185 in back-pay due to them from the November 1 settlement date.

In a few areas, notably among Midlands craftsmen and in Leicestershire, local leaders came out with a recommendation against the coal board, and some of the moderate coalfield "barons" stayed in their tents in the run-up to the ballot.

No serious campaign could be attempted in traditionally militant South Wales, where the pits were deep in snow, and only the hardheads of the left—Scotland and Yorkshire—was there an effective push to bring out the vote for the executive.

In Nottinghamshire yesterday, where the miners revolted against their customary moderation in the ballot, Mr Ray Chapman, the area president, who had been spurned by his own members in favour of Mr Scargill in the presidential election, said: "I think all the miners will accept the vote, no matter how narrow it is, and that there will not be any bitterness in the coalfield. They are a sensible lot and will abide by the majority."

Voting breakdown, page 2

Missing second man in rail crash had clocked on

The second man who was supposed to be on the engineering train that was involved in a rail crash at Croydon, south London, on Saturday was named yesterday as Mr Nick Rolis, aged 22, of Penge.

British Rail confirmed that Mr Rolis had clocked on at 9.50 pm on Friday at Norwood Junction as assistant to the driver, Mr Steve Walton, who lost a leg in the crash.

Southern Region said Mr Rolis had been examined by a medical officer yesterday and found to be unfit for footplate duties. But he would be able to work on other jobs.

Rescue workers had been told that two men were trapped in the crashed train's cab, and spent hours cutting through wreckage searching for them. They were said to be angry to

learn that only one man was involved.

It is understood that Mr Rolis signed on but was at home in bed at the time of the crash. British Rail investigators are to hold an internal inquiry into the crash, and investigate why Mr Rolis was not on board.

Southern Region said later that senior railway officers had completed preliminary interviews with those involved in the collision except for the driver who was still too ill to talk.

It is understood the Department of Transport will shortly decide whether to hold a public inquiry. But a spokesman pointed out the fire brigade had emphasized that the search for him in the wreckage had not delayed the release of the trapped driver.

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Race/Rastafarianism

Rate support anomalies cause councils concern

By David Walker

Evidence of apparently large-scale anomalies in the amounts of rate support grant payable to local councils is emerging as treasurers analyse the allocations given them recently by the Department of the Environment.

Labour-controlled Manchester City Council has claimed that it is being asked to make spending reductions of 14 per cent, entailing the loss of 5,000 jobs, instead of the 7 per cent reductions which Mr Michael Heseltine, Secretary of State for the Environment, had promised as a maximum.

The city's budget committee meets later this week to consider the consequences of such a cut in spending; councillors have meanwhile asked Mr Heseltine to meet a deputation.

Some of the Conservative shire counties have complained, too. The councillors of Buckinghamshire say that the minimum budget they can make for 1982-83 is between £9m and £20m in excess of government targets.

According to a letter circulated to members by Mr Anthony Moggford, chairman of the policy committee, that budget would mean losing £12.5m of rate support grant, equivalent to 12.5p in the pound of rateable value: in other words, a big increase in rates.

Mr Moggford blamed his county's plight on flaws in the rate support system introduced by Mr Heseltine. The county's grant for 1982-83 did not take into account recent population growth.

Probably the most puzzling anomaly to come to light is the London Borough of Lewis-

ham, controlled by moderate Labour councillors. Leisham either makes savings of £13m on a budget of £85m or raises its rate by up to 60 per cent, neighbouring Lambeth, with a similar population and social problems apparently no more severe, has been asked a grant that has given Mr Edward Knight, the council leader, a choice between cutting the rates by up to 10p or expanding the council's employment.

Mr Andrew Hawkins, leader of Lewisham council, told the Times yesterday that his borough was being asked to lose the equivalent of 1,000 jobs. According to government figures, Lewisham ought to spend £70m in 1982-83. Councillors say that merely paying for the same services as in 1981-82 will cost £85m next year.

One Councillor, Mr Jad Adams, said that it appeared the Department of the Environment was awarding grants on the basis of last year's rioting. "We had no riots, partly because of the good work the council has done with the police and other authorities in the area. Perhaps we should not have bothered", he said.

Lewisham's officials have given a warning against exceeding the Government's limits. In the new local world which councils inhabit since the House of Lords' judgment on the Greater London Council's cheap fares policy, deliberately to spend more than the limit would mean a council facing legal action by rate-payers.

The law lords used a phrase about councils' "fiduciary

duty" to their ratepayers. Mr Heseltine, his officials at the Department of the Environment, and a wide body of legal opinion concluded that spending above targets could be illegal under that doctrine.

Faced with unpalatable choices, and no explanation from the Government about why their grant has suffered, Lewisham councillors have given what one called a "serious attention" to the problem before the borough elections in May.

□ The borough of Solihull, West Midlands, yesterday took the first step in having the recent supplementary rate and cheap fares policy of the West Midlands County Council declared illegal, in an attempt to emulate Bromley council's successful action against the Greater London Council last month.

Mr Justice Hodgson in the Queen's Bench Divisional Court in London gave the Conservative-controlled borough leave to mount a High Court action. Solihull's case will be presented by Mr David Widdicombe, QC, who led for Bromley. Hearing could start within a week.

Solihull wants the court to declare illegal the supplementary rate of 14p in the pound levied by the county council, or at least that part of the rate that was used to pay for a 25 per cent cut in fares in the buses and trains operated by the county council's transport executive.

The case is being brought under the Transport Act, 1968, which appears to give more scope for subsidies than the Transport (London) Act, 1969, which regulates the GLC's subsidies.

Whitelaw acts on Brixton liaison

By Peter Evans, Home Affairs Correspondent

Mr William Whitelaw, the Home Secretary, liaison committee between the police and the community in Brixton, the scene of last year's riots.

He chaired a "constructive" preliminary two-hour meeting at which the police, police, councillors and community representatives which showed no dissent from the general aim.

A breakdown in liaison was included by Lord Scarman in his report as one of the steps which led to the disorders.

Mr John Tilley, Labour MP for Lambeth, Central, said one of the four local MPs at the meeting, said afterwards that he was glad Mr Whitelaw had realized it was a race against time. April was only weeks away, and it was in April last that rioting flared in Brixton and the previous year in Bristol.

Mr Timothy Raison, Minister of State at the Home Office,

said later that Mr Whitelaw had accepted the great bulk of the Scarman proposals and the spirit of the report. Liaison arrangements were a crucial area and Mr Whitelaw wanted to follow them up as soon as possible.

A preliminary meeting "in a couple of days" to propose an agenda would be followed by another full-scale meeting in a fortnight to discuss the chairmanship and the secretariat. The secretariat is likely to be permanent and professional. Similar bodies are envisaged elsewhere in London.

The Home Office will soon send letters to chief constables and police authorities outside London about liaison arrangements. The question whether they should be statutory remains open.

Mr Whitelaw, though said to be cool on the idea, has not ruled it out. Lord Scarman urged in his report that liaison

arrangements should be statutory.

Mr George Greaves, Lambeth's principal community relations officer, said there was much support for statutory backing at yesterday's meeting.

An official report to Lambeth council recommends that it reject three of Lord Scarman's main findings in his report on the Brixton riots.

Meanwhile, it says, unemployment and housing prospects in the area are worsening.

The report by Mr Stewart Lansley, chairman of the borough's community affairs committee, opposes Lord Scarman's finding that saturation policing "stop and search" operations and units like the Special Patrol Group cannot be wholly abandoned.

The report to be presented to the council's policy and resources committee today, also rejects Lord Scarman's recommendation that overall control of the Metropolitan Police

Rastafarian faith 'valid religion'

By Clifford Longley, Religious Affairs Correspondent

A plea for Rastafarianism to be recognized as a valid religion and for Rastafarians to be allowed to enjoy full religious rights has been made by the Roman Catholic Church in England and Wales.

In a report published today, the Catholic Commission for Racial Justice also urges that the Rastafarian style of dress, including the characteristic "dreadlock" hairstyle, should be accepted by society as "authentic religious expressions and legitimate cultural forms".

The Home Office in particular is asked to observe those principles, and a copy of the document is being sent to the Home Secretary by the auxiliary Roman Catholic Bishop of Birmingham, the Right Rev McCarty, the commission's president.

The commission's president, the Right Rev McCarty, said that the instances of intolerant treatment by the Home Office, particularly over Rastafarian religious rights in prisons. The document contains a long and sympathetic account of the origins of the Rastafarian movement in Jamaica. Many of the symbols and the



A Rastafarian with a portrait of Emperor Haile Selassie I, venerated as a god.

mythology of the movement can be accounted for as a positive response to the West Indian community's historical experience of enslavement, transportation, poverty, immigration to Britain and racial hostility by whites.

The churches are asked to grant to Rastafarians the same consideration that they

show to non-Christian faiths generally, and the commission recommends that Roman Catholic premises should be made available for Rastafarian use.

Mr Basil Hyton, chairman of the commission, said at a press conference yesterday: "The Rastafarians easily can be treated as second-class citizens,

without rights or dignity. We believe that Rastafarianism represents something positive and important to our society and we need to listen and to share our resources for the mutual benefit of the whole society."

Rastafarians in Jamaica and Britain (CPC Church Hall, Amwell Street, ECL 30p).

Better sick pay plan for the low paid

By Pat Healy, Social Services Correspondent

The Government has responded to pressure for a better deal for the low paid by proposing a third, flat rate of employers' sick pay. The new "intermediate" rate is expected to be proposed today when the Social Security and Housing Benefits Bill returns to standing committee.

As the Bill stands, employers would be compelled to pay a flat rate of £37 a week during the first eight weeks of illness to employees earning more than £60 a week. For those earning less than £60 the flat rate would be £25 a week.

The new rate to be discussed today would introduce an intermediate rate of £31 a week for employees earning between £45 and £60 a week. However, unlike the £25 rate proposed for them previously, the new rate would bring them above the level at which national insurance contributions become compulsory.

Mr Brynmor Jones, Labour spokesman on social security, said last night that that concession was far too little. It would add little more than £3 a week to the sick pay of a married man earning between £45 and £60 a week.

"The only fair system is to pay people either the full

benefit of £37 a week or their usual wage, whichever is less. Only then can low paid workers feel they are getting a return for their contributions which are being asked to afford them a chance of being sick without disaster to the family economy."

The Low Pay Unit said that about 1,500,000 workers would be entitled to the new rate of £31 a week.

MP demands fuel bill help for elderly

Immediate cash help for elderly people who cannot afford to keep warm was demanded yesterday by Mr Norman Adkinson, Labour MP for Torridge. He urged Mr Nigel Lawson, Secretary of State for Energy, to investigate the feasibility of an energy rebate scheme, to ensure that all people on low incomes could receive some help with their heating bills.

Recent temperatures had created serious difficulties for the elderly who should be entitled to help, Mr Adkinson said. Those on pensions just above the supplementary benefit level were being helped by their heating bills either in normal winters or exceptionally severe ones.

New exam prospects uncertain

By Diana Geddes, Education Correspondent

Sir Keith Joseph, Secretary of State for Education and Science, is still undecided whether to go ahead with a single system of examining for pupils aged 16-plus, fore-shadowed by his predecessor, Mr Mark Carleton, who said he would replace the present CSE and O level examinations.

The publication of a document describing the Government's proposals for the new 16-plus examination, which has been ready in draft since last October, is unlikely before next month.

Sir Keith is worried about the feasibility of examining under a single system, and its effect on recognized standards. Mr Rhodes Boyson, the minister responsible for schools, is strongly opposed to its introduction.

The joint council set up by the GCE and CSE examination boards to draw up national criteria for the syllabus, assessment techniques, and aims of the new examination, published draft proposals yesterday covering 20 different subjects.

The first draft criteria, covering English, French, history and physics, published by the joint council last September, have been criticized, either for failing to reshape the curriculum, or for being too inflexible. Heads of the joint council said at a press conference in London yesterday that the examination boards did not see it as their task to provide the Government with proposals which would set the pattern of the secondary school curriculum well into the next century.

Mr Peter Andrews, a joint council member, said the Government had given indication that it was having second thoughts. "We have no grounds for thinking two years have gone cold on the exercise. I do not think Sir Keith easily makes up his mind."

□ Incompetent teachers should be dismissed, not removed through redundancies, Sir Keith said in the Commons yesterday. He was asked to clarify a speech at the Common of England education conference in Sheffield intended to abolish all sixth forms and replace them with open-access tertiary colleges, providing GCSE, O and A level courses and other vocational courses. Similar proposals by Manchester were rejected by the Government last November.

Scargill's old job may go to moderate

By Ronald Kershaw

The miners' ballot, which already points to a moderate outcome, is being watched keenly by the Labour Party in Yorkshire as an indication to this week's voting in the ballot for Mr Arthur Scargill's old job.

Moderate Labour supporters believe that if a middle-of-the-road candidate is elected as president of the Yorkshire branch of the National Union of Mineworkers, the left-wing miners' stronghold on many constituency Labour parties may well be broken.

There are four candidates for the Yorkshire presidency but only two principal contenders, Mr Jack Taylor, Mr Scargill's former ally who has said at a press conference in London yesterday that the union's moderate North Yorkshire agent.

The view of Labour Party moderates is that if Mr Walsh is elected he will urge the end of the soft-wind practice of paying miners a subsistence allowance for attending caucus meetings held immediately before Labour Party meetings, thus ensuring a strong miners' presence.

Mr Walsh believes that political interests should not interfere with the primary work of the union, the wages, conditions and welfare of Yorkshire miners and their dependants.

Under Mr Scargill's rule, the greater the miners' vote, the greater the pressure on important positions on the management committees of several Yorkshire constituency Labour parties and have started a movement to replace moderate MPs and councillors.

It is feared that if Mr Taylor is elected he will continue the militant political line pursued by Mr Scargill, to the detriment of the moderates. Part of the

The miners' vote — a coalfield breakdown

Area	Miners	1980	1981	1982
Area	Miners	1980	1981	1982
Cokefield	5,100	20	against	
Cumbria	800	31	against	
Derbyshire	11,800	19	against	
Durham	15,100	38	split	50-50
Kent	2,800	88	for	70
Leicestershire	6,700	21	against	70
Midlands	14,400	21	against	70
Northumberland	7,800	30	against	70
North Wales	1,100	19	against	70
Nottingham	34,400	23	against	70
Scotland	18,000	73	for	70
South Wales	2,300	47	for	70
Wales	24,600	67	for	70
Yorkshire	86,300	65	for	70
Durham mechanics	8,400	26	against	

Scottish craftsmen, 500 62 for
Colliery official staff, 10,100 12 against, 80
Yorkshire GMWU members, 4,800 13 against
500 28 against

In 1980 the NUM executive recommended the offer, and the left campaigned for rejection. In the present ballot the executive recommended the offer and a strike if necessary.

moderates' difficulty is drumming up support for Mr Walsh. Electioneering is not permitted in the Yorkshire presidential election but Mr Walsh has protested that Mr Taylor is getting valuable publicity for his views on union policy in the Yorkshire Miner.

Labour Party and NUM moderates are considering the possibility of inviting Mr Walsh to branch party meetings, simply to address gathering miners. A branch official said last night: "There is no way this kind of thing could be construed as electioneering if an address was confined to matters of concern in the trade union movement."

Mr Walsh said last night: "I have made clear it is time we concerned ourselves with industrial rather than political matters."

Ordnance Survey proposal criticized

By Nicholas Timmins

Government proposals to set up a trading fund for the Ordnance Survey, possibly as a first step towards private control, were heavily criticized last night at a meeting organized by the Royal Geographical Society in London.

Speaker after speaker, from professional map users and makers to the Ramblers' Association, criticized the proposal, saying that the basic scale survey, on which all the 220,000 Ordnance Survey sheets are based, is an operation that will never be commercially profitable.

Instead, they argued, the survey is a public service that is a vital investment for the future.

Brigadier George Hardy, deputy director of the RGS and its curator of maps, gave a warning that the change to finance through a trading fund,

rather than by direct Treasury vote, with the intention of allowing the survey's operations to be judged in a commercial framework, offered no advantages.

It would place the permanent secretary of the Department of the Environment in the position of accounting officer, laying the Ordnance Survey open to future cuts in Civil Service manpower or spending.

The department would come close to managerial control of the Ordnance Survey and the judgment it made would be taken by people not trained in the profession.

There would be a tendency to concentrate on activities that would be profitable at the expense of public service activities where the survey provides maps for public utilities, surveyors, land registration and many other activities.

Tory MPs renew drive against heavier lorries

By Philip Webster, Political Reporter

Conservative MPs began a new offensive last night to force the Government to drop its plans for heavier lorries.

As the Commons returned after the Christmas recess they were collecting signatures for a motion urging the Government to amend the proposals contained in its White Paper, *Lorries, People and the Environment* published last month.

Eleven Conservative backbenchers voted with the Opposition on a motion rejecting the increases shortly after the White Paper's publication, and had hoped that their action would be enough to encourage

Mr David Howell, Secretary of State for Transport, to go no further with his plan to raise weights limits from 32.5 to 40 tonnes.

But they have been alarmed by statements by Mr Howell over the recess in which they brooked maps for public utilities, surveyors, land registration and many other activities.

Detailed regulations are to be introduced after a consultation period of two to three months. One of the leading opponents of the plan said last night that at least twenty Conservatives would vote against them unless radical changes were made.

Science report

Photo fix prolongs lives of flowers

By Pearce Wright, Science Editor

The life expectancy of cut flowers has been increased by up to 20 days by scientists investigating ways of improving the yield and quality of crops and flowers grown under glass. The method of extending the life of certain varieties of carnations, which usually last at best between 10 and 14 days, was achieved by dipping the stems for an hour into a solution of a chemical mixture containing sodium thiosulphate used as a fixer in developing photographic film.

The discovery, by Dr R. Nichols and Mrs Carol Frost, is a by-product of studies at the Glasshouse Crops Research Institute at Littlehampton, Sussex, into the mechanism that caused the various stages of aging and growth of plants. They describe the unusual effects of a hypo solution in the institute's annual report.

Their work was inspired from earlier research in which new forms of pesticides were improved by incorporating very tiny traces of silver compounds. But the recent experiments, which used diluted quantities of hypo as a cheap source of silver salts, indicated that the protection provided by adding silver was more complicated than the growing of healthier plants safeguarded by a better pesticide.

The silver in the photographic chemical has been leached from the unexposed part of the film. But the amount in a photographic tank of hypo is many times more than that needed for treating cut flowers. The concentration of silver in a carnation is less than one part in a million.

Although this treatment of flowers to extend their vase-life is of commercial importance, the question of how it increases longevity remains unanswered. Analysis of sections of plants by electron microscopy shows the places in particular cells to which the silver atoms migrate. These are the sites responsible for the synthesis of ethylene, the naturally produced substance causing plants to wilt.

Since the production of ethylene is stimulated when the fruit of a plant has set and there is no need to retain the bloom to attract pollination, the action of silver is thought to suppress the hormone which triggers that process of senescence.

SINDEN TO JOIN ARTS COUNCIL

By Christopher Warman, Arts Correspondent

Donald Sinden, the actor, is one of four new appointments to the Arts Council announced yesterday by Mr Paul Channon, Minister for the Arts. The other three are Lady Dilke, organizer of the Bath Festival, Mrs Buchi Emecheta, the novelist, and Mr Albert Frost, a director of British Airways, Marks and Spencer, and S. G. Warburg.

Mr Channon also announced the appointment of Margherita Laski, the novelist and critic, for further term. The appointments will run until March 31, 1986. There are still three vacancies for members of the Arts Council.

No appointment has yet been made of a vice-chairman to replace Dr Richard Hoggart, whose term of office was not renewed by the minister. Vice-chairmen are appointed by the council subject to the minister's agreement.

Answering questions in the Commons yesterday, Mr Channon denied that the ending of Dr Hoggart's term of office was a political decision.

LIBRARY APPEAL BY CALLAGHAN

By David Spanier

Mr James Callaghan, the former Prime Minister, launched an appeal yesterday to raise £600,000 in Britain to safeguard the Wiener Library, the famous collection of material on the Nazi period. The purpose of the appeal is to maintain the microfilm copy and other material for the use of scholars and historians in London after the transfer of the original library to Tel Aviv, thereby the subject of a heated controversy in the correspondence columns of *The Times*.

Emphasizing the value of the library as a record of a shameful period, Mr Callaghan said that future generations needed to match American offers of help. Its preservation and development in London would serve as a permanent reminder that such a period must never recur, he said.

Mr Alan Montefiore, deputy chairman of the library, said the appeal represented a survival fund.

Overseas sell-in prices

Austria Sch 28	Berlin DM 9.50
Canada \$12.50	Canada \$12.50
Denmark Kr 125	Denmark Kr 125
France FF 7.00	France FF 7.00
Germany DM 7.00	Germany DM 7.00
Italy Lit 1,000	Italy Lit 1,000
Japan Yen 1,000	Japan Yen 1,000
Norway Kr 7.50	Norway Kr 7.50
Sweden Kr 7.50	Sweden Kr 7.50
Switzerland Sfr 7.50	Switzerland Sfr 7.50
USA \$1.50	USA \$1.50
UK £1.00	UK £1.00

Record sales for Land Rover in Europe.

Land Rover Limited reports a highly successful year in Europe, with sales of Land Rover up by a third, despite heavy competition from Japanese manufacturers.

Sales in Italy and France rose by 61% and 31% respectively with Italian sales of the Land Rover itself up by a staggering 170%.

The new 4 door Range Rover has already made a great contribution to the

Thaw brings new chaos to homes, roads and rail

By Tony Samstag

The slow thaw was little improvement on last week's freeze for tens of thousands of commuters, householders and public service employees yesterday.

Where ice, snow and freezing fog had made life a misery for travellers last week, it was mist, slush, burst pipes and the aftermath of Sunday's rail strike that caused the chaos yesterday.

Mist and fog caused miles of tailbacks during the morning rush-hour around London, in the Midlands and as far west as Cardiff, where the fast lane of the M4 was closed. In Yorkshire on Tyne and on Teeside, visibility was cut to three yards in places.

The Duchess of Kent, who is Chancellor of Leeds University, had to cancel a visit there because of the fog. She had been due to unveil a memorial to the late Lord Boyle of Handsworth, the former vice-chancellor.

Thousands of burst pipes and main drains caused a water shortage in some areas of Yorkshire and the north Humber side.

In Stoke-on-Trent, Staffordshire, where police said they had received hundreds of emergency calls, burst pipes helped with burst pipes, six elderly residents of a home in the Cobridge district had to be evacuated.

In Liverpool, where more than 150 people had to be evacuated to hotels or homes, on British Rail the Sunday strike, the overtime ban and the weather contributed to rush-hour chaos. In London Inter-City services from Euston and commuter services into Euston, St Pancras and Marylebone stations were cut.

Western Region, whose services were cut by about a third, was running hourly trains only from Paddington to Bristol, south Wales and the west of England.

Jobs at the heart of rail dispute

By Donald Macintyre, Labour Correspondent

British Rail's statement yesterday that it was seeking to end 3,400 drivers' jobs in four years underlines the point that the present dispute is over more than drivers' hours.

The board has stood firm by its contention that it is ready to pay its 20,000 drivers a 3 per cent increase in wages to reduce their hours to 39 a week when the union agrees to end the rigid eight-hour day in favour of a flexible working day of between seven and nine hours.

BR calculates that to implement the shorter week and pay the 3 per cent without winning the greater efficiency afforded by flexible rosters, would add 3 per cent, or about £4,160,000, to the annual wage bill.

With flexible rostering, which would add an estimated 15 minutes or so a shift to the time each man spends driving, BR believes it can cut up to 1,510 jobs at an estimated saving of up to £9m, and more than pay for the introduction of the 39-hour week.

Significant as that reduction is to a union whose membership has declined from about 77,000 after the war to about 27,000 now, both BR and the union are acutely aware that it is only the first of two stages by which the management is seeking to reduce drivers' jobs.

The second, which BR believe could save twice as many jobs and perhaps £40m in wages, is to limit the occasions when a second driver is in the cab to those when it would be dangerous for the driver to be on his own.

At present three quarters of trains have only one driver. BR would like to increase that by 5 per cent by 1985, through separate negotiations also provided for in the settlement which averted a national rail strike in August.

BR accepts that a second qualified driver should be on all high-speed trains. But the board says it cannot begin serious negotiations on the "second driver" issue until it has agreement on flexible rostering, partly be-

cause the two subjects are linked. Under present agreements a second man in the cab is required when a shift lasts longer than eight hours.

British Rail emphasized yesterday that the figure of 3,400 jobs was a target and not fixed. It did not envisage compulsory redundancies; the reductions would be achieved through natural wastage, meaning the non-replacement of retiring drivers.

Flexible rostering and single manning are a relatively small part in volume if not in significance of the overall programme which BR aims to shed 38,000 jobs between 1980 and 1985.

Last year 12,000 jobs were lost, of which 8,000 were on the rail network and 1,200 were in engineering. The main reduction last year were in reducing door-to-door collection and delivery of parcels, and in reducing spare marshalling yard and exchange siding capacity.

NEWS IN SUMMARY

London plea by Welsh activist

Mr Wayne Williams, the Welsh language activist who has been suspended from his job as a teacher at Llandilo High School, in mid-Wales, yesterday visited the Department of Education and Science in London to put his case for reinstatement (Tony Samstag writes).

Mr Williams left prison at Christmas after serving six months for conspiring to damage broadcasting equipment. His suspension was the result of a High Court injunction granted to Mr Lawrence Smith, a parent, preventing Powys County Council from allowing him to teach until after a judicial inquiry.

No one would comment on Mr Williams's case yesterday. He was accompanied by officials of the National Association of Teachers of Wales. The Department of Education and Science said, however, that such meetings were routine if a teacher had committed a criminal offence or served a prison sentence.

Former Chelsea players charged

Peter Osgood, aged 33, and Ian Hutchinson, aged 33, former Chelsea footballers, were charged at Aldershot yesterday with receiving stolen goods. They were charged with receiving stolen goods, which were alleged to be the footballers, who now run the Union Inn at Crispwell Road, Old Windsor, Berkshire, committed the offence on December 16.

Osgood, who played for England, elected trial by jury at Winchester Crown Court, and Hutchinson asked for his case to be dealt with by Aldershot magistrates on February 22. They were granted unconditional bail.



This is the face of David Michael Hampshire, aged 33, who is wanted for questioning after the body of Julie Deakin, aged 18, was found in her bed at the weekend at Newport Pagnell, Buckinghamshire. She had been strangled. Police said one of the names used by Hampshire is Clark Kent. He is between 6ft 5in and 6ft 8in tall, and it is believed could be hiding in the countryside.

Club chairman on fraud charge

John Crawford, chairman of the Scottish First Division football club, East Stirling, was charged yesterday with pretending to put forward proxy votes on behalf of four shareholders which were not genuine and fraudulently hallooing 40 proxy votes at the election of club directors.

The case, at Falkirk sheriff court, continues tomorrow.

Inspector jailed for assaults

William Cunningham, a police inspector who assaulted two prisoners after drinking on duty, was jailed for a year yesterday at Oxford Crown Court (Our Oxford Correspondent writes). The court heard that Cunningham, aged 46, who had 24 years' service, lied to his superior officers after the offences.

Murder case woman freed

Shirley Brindle, aged 35, of Colby Path, Camberwell, south London, who was convicted of conspiring to prevent the lawful burial of a murder victim's body, was given an 18-month jail sentence suspended for two years and placed under supervision at the Central Criminal Court yesterday.

Brindle was cleared last week of involvement in the murder of Mr Donald Ryan, aged 49, whose body was cut up in her flat by Michael Ward, aged 28, and two other men, all of whom were given life sentences on Friday.

Jailed mother freed

Kamala Sakeria, aged 38, a Ugandan Asian, of Morning Lane, Hackney, east London, who was jailed last June for five years for drug smuggling, had her sentence cut by the Court of Appeal yesterday, when her fourth child was born in Holloway prison. The father, Rasid Kasuje, aged 41, had his sentence for a similar offence cut to three years.

Rape 'victim' is shown being harshly treated

By Stewart Tendler, Crime Reporter

A police investigation of a rape case, in which the victim had to describe her attack to male detectives who questioned her about her sex life, accused her of lying and spoke crudely to her, was shown last night in BBC Television's *Police* series which was filmed with the help of Thames Valley Police.

The force's senior officers had previewed the film and on Sunday Thames Valley announced it was considering special units staffed by women to deal with rape complaints.

The detective who told the woman her story was the biggest bollocks I have ever heard", was Mr Brian Kirk, who in an earlier programme was seen being demoted from detective constable to uniform duties. He was awaiting transfer from CID when the rape case was investigated.

He and other detectives were faced with a woman who had a history of mental illness and difficulties with the police. She claimed in a confused story that she had been raped by three men after being forced into their car.

During the 40-minute programme last night the woman was seen being told she could not have a medical examination until the police were sure of her story, and no attempt was made to pursue the man.

The woman agreed that she would not have gone to the police station, in Reading, if her boy friend had not made her. She finally signed a statement dropping the allegations.

When she first made her complaint she was questioned by a woman police constable and a male uniformed officer. The young woman officer was doubtful about the story, believing that sexual intercourse could have occurred with the woman's consent, and passed her feelings on to the detectives who took over the questioning.

The woman whose face was never shown, or her identity revealed, said she had been threatened by the

Mistress and wife 'killed man'

A man was murdered by his wife and his mistress, probably because he had become irksome and because they wanted his insurance money, it was alleged at the Central Criminal Court yesterday. They thought of using poisonous mushrooms or toxicology to kill him, but it was the wrong season for them. Mr John Allott, QC, for the prosecution, said. Instead Mr John Kearney, aged 40, an instrument technician, was killed by sleeping pills mixed with whisky. His body was put in the River Colne in Bucks, from which police recovered it last May.

Mr Allott told the jury that although four people were accused of murder, "the evil pair at the heart of this matter" were Mr Kearney's wife, Sheila, aged 40, and Jeanne Phillips, aged 31. Mr Kearney's mistress until shortly before his death. The women were remarkably close friends, despite the affair.

The accused, who all deny murdering Mr Kearney, are Mrs Kearney, of Felling Lane, Viewsey, Middlesex; Mrs Phillips, a cleaner, of Coldharbour Lane, Hayes, Middlesex; Pauline Simmons, aged 24, also of Coldharbour Lane; and Raymond Green, aged 36, unemployed, of Peartree Avenue, Viewsey.

Pauline Simmons and Mr Green, Mr Allott said, were undoubtedly involved by Mrs Phillips and Mrs Kearney, Simmons because she was Mrs Phillips's lodger and Mr Green because he was Mrs Kearney's lover.

Mr Allott said another



Gloria Hunniford, the first female daytime disc jockey on BBC Radio 2, during her opening programme yesterday. Patrick Litchfield, the photographer, was her first guest

Channel Four guidelines

By Kenneth Gosling

Channel Four will be required to follow the same rules on programme sponsorship as other independent television companies.

The Independent Broadcasting Authority (IBA) has redrawn its guidelines to cover the use by the channel of programmes funded by non-broadcasters. There have been such programmes on independent television but more are expected on Channel Four.

The guidelines cover: broadcasters' editorial independence and responsibility; the content of programmes ("factual portrayals of events, happenings, places or things" as indicated in the Broadcasting Act, 1981); and the nature of on-screen acknowledgements.

The authority has had extensive consultations with the channel and the programme companies and says the arrangements will be reviewed again in the light of experience gained this year (the channel opens in November) and next year.



Mr Stefan Staniszewski, the new Polish Ambassador to Britain, was in fine spirits when he visited the Labour Party's headquarters in south London yesterday in spite of his so far unsupported announcement about the release of Mr Lech Walesa, leader of Solidarity, suspended independent trade union.

Yesterday Mr Staniszewski was more circumspect in his remarks to reporters waiting for him outside the Labour Party building. He smiled broadly but refused to comment either about the future of Mr Walesa or martial law.

since the imposition of martial law more than a month ago, would be released in "the very near future".

As our Warsaw correspondent writes, the Polish military authorities want to release him but cannot afford the risk.

The purpose of Mr Staniszewski's visit was to meet Mr Ronald Hayward, the party's retiring general secretary. Last week the international subcommittee of the Labour Party criticized the military regime in Warsaw and called for an end to martial law.

The ambassador was welcomed by Miss Joan Lester, chairman of the party's international committee, and Mr Eric Heffer Labour MP for Liverpool, Walton, who drafted the critical resolution.

Cigarette sellers strike back

The tobacco industry yesterday struck back at the taxman with the launching of a nationwide smokers' petition against any further increases in cigarette duty in this year's budget.

Hard on the heels of a £625,000 newspaper advertising campaign by tobacco companies in last Sunday's papers, representatives of 150,000 tobaccoists and newsmen assembled in London to protest against what they see as the victimization of Britain's 20 million smokers and to proclaim that with cigarette duty at 74 per cent the law of diminishing returns had begun to operate.

Molyneux refuses to quit

From Richard Ford, Belfast

Mr James Molyneux, leader of Ulster's Official Unionist Party, said yesterday that he would not resign his position despite continued criticism from some members of his style of leadership.

Taking the offensive for the first time since the attacks on him began, he gave a warning to his critics who are becoming increasingly demoralized by the threat from the rival Democratic Unionist Party, led by the Rev Ian Paisley, and fears that they would be blamed for the damage being done.

Mr Molyneux, leader of the party since 1979, said he had no intention of quitting his post. "I have a responsibility to the people who have elected me. I have a responsibility to keep my nerve."

Mr Molyneux's critics are unlikely to let the matter rest and the party faces perhaps months of sapping before the issue is finally resolved. In that time a crucial by-election will be held in the safe "loyalist" seat of Belfast, South, where the Rev Robert Bradford, the official Unionist

councillors' association is likely to see fresh attacks on the leadership in discussion of future strategy. It will be attended by Mr William Ross, official Unionist MP for Londonderry and a strong supporter of Mr Molyneux, who will not be present.

Nor will Mr Harold McCusker, official Unionist MP for Armagh and a possible challenger for the leadership, attend, because it is understood he does not want to be blamed further for any attacks that might be voiced.

Much of the criticism surrounding Mr Molyneux arises from poor comparisons with Mr Paisley, whose party is now seen as making all the running in the province with its rumbustious style of leadership and good organization.

Mr Michael Foot will make his first visit to Northern Ireland at the end of this month since becoming leader of the Labour Party at the head of a fact-finding mission.

Paintings by Sickert find favour

By Geraldine Norman, Sale Room Correspondent

There was a sudden run on the work of Bernard Sickert at Phillips's sale of modern British pictures yesterday. While Walter Sickert is considered one of the "greats" of Twentieth-century British painting, his brother Bernard has hitherto been largely forgotten.

Like his brother, Bernard was a member of the New English Art Club. Phillips had a group of pastel views of the Thames in and around London for sale which are believed to have come from the artist's studio after his death. Phillips have sold other pastels from the same source, when £20 or so was a normal price, yesterday "Mordlake" view of the River" reached £600 (estimate £30-£50). That was the highest price.

The average price for a single pastel was about £95; that was realized, for instance, by "The scene at the railway station" (estimate £40-£60). There were not, however, enough buyers to carry them all off at top prices. The lowest price was £26 (estimate £30-£50) for two views on the river. One of the 26 lots remained unsold.

At Christie's King Street yesterday the first sale of the new year was devoted to English and Continental ceramics. The auctioneers were pleased and surprised at the strength of the bidding, which left the sale only 8 per cent unsold.

A very encouraging start to the season. Mr Hugh Monty Fletcher, who took the sale, commented: "There was hardly a lot sold after the reserve and the bidding often ran far beyond it."

The sale was devoted to nineteenth-century ceramics, an area in which the market was very uncertain last autumn. Hand painted Worcester vases were running well beyond estimate; a two-handed vase and cover painted with mountain sheep by H. Davis made £432 (estimate £150-£200).

Sèvres-pattern vases, richly overglazed with ornate and romantic Boucher-type decoration, were well up again, though perhaps not quite back to the levels recorded four years ago at the height of the trainee nouveau-riche spending spree. A pair of blue-ground, ornate-mounted vases painted with lovers in rustic landscapes made £918 (estimate £400-£600).

The star price of the sale was £4,320 (estimate £600-£1,000) for a massive late Sevres circular owl painted with meandering roses and dated 1854.

Star Wars bought for ITV showing

The cinema box office success *Star Wars* has been bought for the independent television network for £1.5m. It was released in Britain in 1977 and has since taken £150m all over the world.



Broken promises.

A lot has been said about the August 1981 pay agreement, but what about the productivity agreement which was made at the same time?

The understanding on flexible rostering which was accepted by all three rail unions, including ASLEF, was quite specific. It reads as follows: "Negotiations shall take place to establish variations to the rostering agreements with a view to introducing some flexibility around the 8-hour day, but without producing unreasonable variation in the length of each working day or week. These discussions shall be concluded by 31 October 1981."

If words mean anything, they mean that the 8-hour day has to be modified and that some form of variable rostering must take place. Discussions on flexible rostering with all the unions took place throughout the autumn, until on 30 November 1981, the following minute of the appropriate negotiation

body revealed the ASLEF attitude: "The ASLEF representatives noted the points put forward but re-affirmed that after very careful consideration, they were not prepared to accept any rostering arrangements which involved relinquishment of the 8-hour day agreement..."

Since then, a 7-9 hour basis has been agreed with the National Union of Railwaymen. However, ASLEF remains obdurately opposed to any change and it is this which is the root cause of the present strikes.

There has been a lot of talk about the pay agreement, but as we have pointed out on innumerable occasions, pay and productivity are inextricably related as our discussions last August showed.

All that ASLEF has to do for its members to be entitled to the pay increase agreed on 20 August is to honour its own promise on productivity.

British Railways Board, Rail House, Euston Square, London NW1 2DZ

Most union members 'think Labour will lose'

By Ian Bradley

More than half of Britain's trade unionists think the Labour Party will lose the next election, a poll taken earlier this month shows.

The detailed findings of the poll, which was conducted by Market & Opinion Research International (MORI) for last night's Granada Television programme, *World in Action*, and made available exclusively to *The Times*, could be a dismal reading for the main opposition party. They show that 45 per cent of union members feel the Labour Party no longer represents the interests of working people.

More than half 56 per cent believe that their union should not be affiliated to the Labour Party. Only 35 per cent of trade unionists positively support affiliation to the party.

The poll will give considerable encouragement to the Social Democratic Party, whose leaders suggested last week that trade unions should end their traditional affiliation to the Labour Party.

According to MORI's findings, a fifth of all trade unionists would support the affiliation of their union to the SDP. Nearly two thirds (64 per cent), however, would oppose such a move. Of those opposed to affiliation, more than half (52 per cent) said unions should not be involved in politics.

The generally poor view of Labour's state and prospects is reflected in present voting

intentions. As the accompanying table shows, MORI finds that more than a third (36 per cent) of trade unionists would vote for the SDP/Liberal Alliance in a general election tomorrow.

TRADE UNION VOTE 1974-81			
	October 1974	May 1979	Now
Lab	55	51	48
C	23	33	14
Lib/SDP	18	13	36

Percentages are for actual voting in the October, 1974, and May, 1979, general elections and voting intention now, 1974 and 1979 figures are for Liberals alone, those for 1981 for the SDP/Liberal Alliance.

Although the samples are in some cases too small to be statistically significant, the differences in voting intention between the members of individual unions are particularly interesting.

Labour Party support has apparently held up most strongly among the miners (60 per cent) and is lowest in the National and Local Government Officers' Association (23 per cent).

Support for the SDP/Liberal Alliance is strongest in the Association of Scientific, Technical and Managerial Staffs (44 per cent), the National Union of Railwaymen (36 per cent) and the Electrical, Electronic, Telecommunication and Plumbing Union (35 per cent).

Both Mr Michael Foot and Mr Wedgwood Benn come badly out of the poll's

findings. More than two fifths (42 per cent) of those interviewed believe the Labour leader should be replaced immediately, and 60 per cent say that Mr Benn should not continue his campaign to reform the party.

Nearly half (46 per cent) also feel that Mr Benn and the Labour left are to blame for the party's present troubles.

On policy issues there is, perhaps some consolation for the Labour Party in the poll's findings. A majority of trade unionists (58 per cent) support British withdrawal from the EEC and there is strong support (74 per cent) for import controls.

More than half (55 per cent) are against any interference with traditional trade union rights.

However, the poll also shows that Labour's unilateralist stance is supported by only 42 per cent of trade unionists.

At least Labour can gain some small financial comfort from the survey. It finds that more than three-quarters (78 per cent) of the admittedly diminishing number of trade unionist Labour supporters would be prepared to pay 50p a year, or less than the price of a pint of beer, to help the party in the next election.

MORI interviewed a representative sample of 946 trade unionists in 72 parliamentary constituencies between January 7 and 9.



Sub-Divisional Officer Leslie Smith, of the Metropolitan Special Constabulary, holding a £50 cheque he received from the Special Bow Street Reward Fund in London yesterday. Mr Smith tackled a youth after shots were fired near the Queen during last year's Trooping the Colour.

Conservation Act charge over fur coat

By David Nicholson-Lord

In what could be the last case of its type under existing law, a Manchester fur shop which allegedly offered for sale a £3,999 leopard skin coat is being prosecuted by conservationists.

The prosecution was mounted privately after 1976. They also had to show that traders had not made adequate efforts to check the existence of import licence.

than many of the animals and birds it seeks to protect. Only three cases have succeeded.

According to critics, that is because those prosecuting had the difficult task of proving that a skin or specimen was imported after 1976. They also had to show that traders had not made adequate efforts to check the existence of import licence.

From March, however, new provisions of the Wildlife and Countryside Act will come into force which conservationists believe will simplify the prosecution's task considerably.

Traders will not be allowed to sell species regarded as the most endangered, which include the leopard, without a licence.

According to a group monitoring the Washington convention on endangered species, which the 1976 Act implemented, six leopard skins were imported in 1979.

The Manchester prosecution is being mounted by Mr Daniel Lindsay, European Secretary of PCAP (Protection and Conservation of Animals and Pflandlife) International.

Fan clubs aid start of £1m orchestra

By Christopher Warman, Arts Correspondent

An ambitious project to set up a new professional full-time orchestra in the Midlands at a cost of £1m has just started with the formation of the first of a number of local "supporters' clubs", intended to provide funds, publicity and audiences.

At a time when many orchestras are in financial difficulty, the idea of starting another large orchestra might appear close to madness, but its creator and founder is convinced it can succeed.

Mr John Gale, artistic director and chief conductor, hopes that his Midlands Philharmonic Orchestra will be ready to play by next year, after 18 months of careful preparation and development.

The embryonic orchestra, with locally recruited players, has already performed six concerts in Leamington, Peterborough, and Corby, to test demand the projects' viability. Stage two this year is to recruit a professional administrative staff at an estimated £200,000, and to organize financial support for the orchestra, which Mr Gale believes will cost £1m a year to run at today's prices.

The plan is for a full orchestra of 81 players giving 45 concerts a year. The group will also be split into a chamber orchestra of 47 players, string, woodwind and brass ensembles and a string quartet, each of which will play some 90 concerts throughout the region.

Mr Gale has long been concerned at the scarcity of music in many big towns in the Midlands and East Anglia. He believes the Midlands Philharmonic can fill a need and a demand.

The area, with a population of 13 million, ranges from Bristol to Watford and Southend in the south, Hereford and Stoke to the west, Norwich and Lowestoft to the east, and Barnsley and Hull in the north. The orchestra will steer clear of Birmingham, which is already provided for, but outside the general area has Shrewsbury, Reading and York among its targets.

Societies are to be set up in 17 counties, and the first, in Northampton, with Lord and Lady Spencer as honorary presidents, held its inaugural meeting this month. Four subscription concerts are planned for Northampton this year.

Mr Gale, a music publisher, emphasizes that the orchestra can succeed only by providing what its potential audience wishes to hear. A survey during its pilot concerts showed demand for the more popular and accepted classical composers such as Mozart, Beethoven and Tchaikovsky, and the light classical repertoire.

Once established, the orchestra intends to include more contemporary work and to commission works, especially from composers living in the area.

Aid rebuff for Hull trawlermen

By John Young

Agriculture Correspondent
A six-man delegation of Hull trawler owners met Mr Alick Buchanan-Smith, Minister of State for Agriculture, yesterday to plead for more help for Britain's struggling distant water fleets.

But after the meeting Mr Thomas Boyd, managing director of Boyd Line, which yesterday announced the sale of its two largest freezer trawlers to New Zealand, said there had been no progress.

There was still no common fisheries policy in the EEC, and opportunities for British fishermen were totally inadequate, he said. A few years ago there had been more than fifty freezer trawlers, but today only 16 were left.

The ships were among the most efficient vessels built, but they were not being given the opportunity to fish. The 1,000-ton quota from Canadian waters amounted to a mere two freezer trips a year. The industry was seeking an 8,000-ton quota from Norway but was still awaiting a reply.

When Britain joined the EEC it had the largest fleet in Europe, Mr Boyd pointed out. It still had the largest resources, but would soon have one of the smallest fleets.

Mr Jonathan Hall, managing director of another Hull firm, Thomas Hamling & Co Ltd, said that while the British Government claimed that the future lay with smaller inshore trawlers, the Dutch were building large vessels because they believed them to be economic.

Mr Buchanan-Smith said after the meeting that he regretted the sales of the two trawlers, but the general adoption of the 200-mile territorial limit inevitably restricted opportunities for distant water trawlers.

□ J. Marr and Son, of Hull, has sold three big deep sea trawlers to Iceland. The stern trawlers Glen Carron, Glen Urquhart and Glen Moriston, all built in 1973.

Expulsion reprieve for Asian

By Lucy Hodges

An East African Asian whom the Government was proposing to deport last September is to stay in Britain after a High Court decision in his favour and India's refusal to accept him.

The case of Mr Ninichandra Shah, aged 23, was won in court on a technicality, but it illustrates a highly significant policy change by the Indian Government. Henceforth it will refuse to accept East African Asians and others who are United Kingdom passport holders and have a right to live here, but whom the British authorities want to deport.

Mr Shah was born in Kenya and went to India with his family in 1964. Soon after, they applied to come to Britain on the special voucher scheme.

There is now a wait of five and a half years for such applicants from India, and rather than stay unemployed in India after his education finished Mr Shah went back to Kenya, where he got a job. However, his Kenyan work permit ran out after a year. When he approached the British High Commission to try to join the Kenyan Asian voucher allocation, where there is no queue, he was told to go back to India and wait.

Meanwhile his father, mother, five sisters and brother had been admitted to Britain, so he returned, but was told he must go. The Joint Council for the Welfare of Immigrants filed a complaint with the European Commission of Human Rights.

The High Court decision gives Mr Shah leave to stay three months. Mr Ian Martin, general secretary of the council, said it was "sheer spite" by the Home Office to give him only three months. "The case illustrates the appalling administration of the special voucher scheme and the way it works to split up families", he said.

MP's Bill seeks body to monitor computer data

By Frances Gibb

A Labour MP will seek tomorrow with the backing of the Labour Party parliamentary civil liberties group, to bring in a Bill which calls for the setting up of a independent body to monitor and safeguard the storage of information on computers.

The Bill will be introduced by Mr Michael Meacher, Labour MP for Oldham West, in view of concern felt over the amount of information stored on Special Branch files which is not directly relevant to security risks.

He has written to the Home Secretary after hearing that Devon and Cornwall police have weeded out their Special Branch files, many of which had been opened on persons apparently "for no other reason than that they were active in campaigning against nuclear weapons, opposed blood sports or supported the Anti-Apartheid Movement".

The Bill, which has been drafted by the National Council for Civil Liberties, calls for the setting up of a data protection authority as an independent watchdog, as recommended by the Lindop committee on data protection in 1978.

It rejects the proposal originally put forward by the Government that the Home Office should supervise the storage of computer data.

Since then, however, it is believed that the proposal has been modified in view of strong opposition from among other groups, the British Medical Association, and that the Home Office now favours the setting up of a computer ombudsman to act as an independent monitor.

Mr Meacher's Bill also provides for the right of individual citizens to have access to and challenge their records; and places on operators of data banks, both computer and manual, a duty to register with the new authority and abide by the new European convention on data protection, which the Government has signed but not ratified.

Under the Bill the new authority issue codes of practice providing detailed instructions on how operators should comply with the law; and it would have the power to investigate complaints and remove data banks from the register where standards were not met.

Mr Meacher said yesterday it was time the Government acted upon the proposals of the Lindop committee.

Miss Patricia Hewitt, general secretary of the NCC, said yesterday: "We hope that the initiative will force the Government to speed publication of its own proposals and provide Parliamentary time for a data protection Bill this session."

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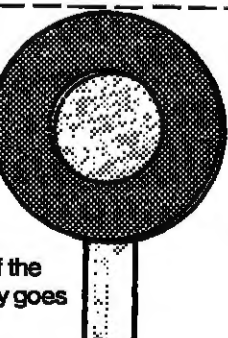
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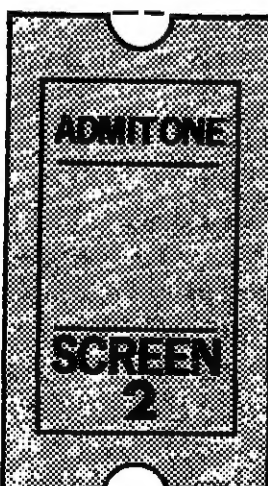
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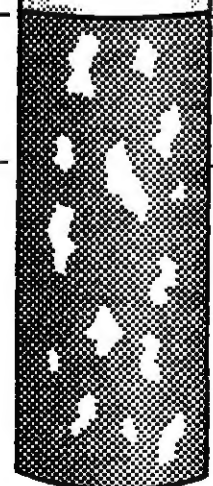
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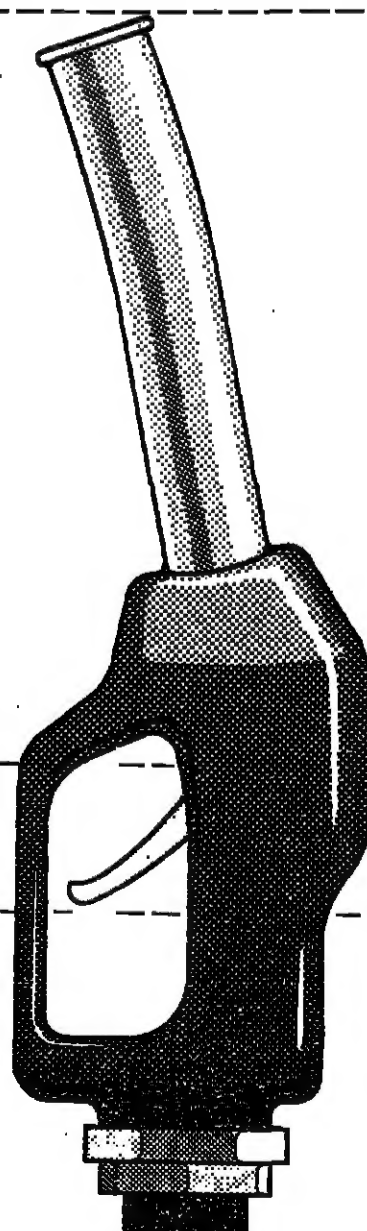
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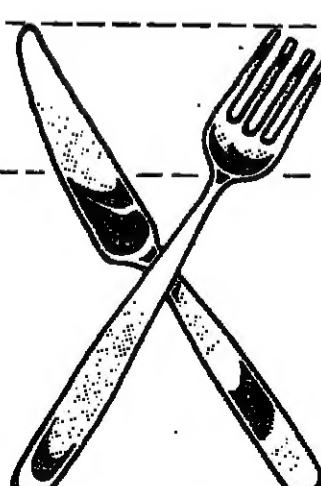
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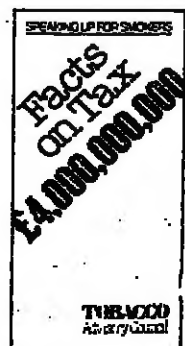
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*Figures quoted are based on Government estimates 1981/1982 and include cigarettes, cigars and tobaccos, plus VAT.



Neo-nazis accused of bomb attack murders

From Patricia Clough
Bonn, Jan 18

The biggest neo-Nazi terrorist trial began in a maximum security court in Stuttgart today.

Herr Manfred Roder, aged 52, regarded as one of the most fanatical of the current neo-Nazi leaders, and two followers are accused of the joint murder of two people and the attempted murder of eight others in bomb attacks between February and August 1980. A fourth is charged with the murder of a terrorist.

The series of seven attacks reached a climax on the night of August 22 when a home-made device was hurled at a hostel for would-be foreign immigrants in Hamburg and killed two Vietnamese.

Millions of foreign workers and their families in West Germany are regarded by right-wing extremists with almost as much hatred as the Jews. According to investigators, Herr Roder noted the date in his diary as the beginning of "Germany's liberation".

Earlier that year, a bomb wrecked an exhibition about the extermination of Jews at Auschwitz in the town hall of Hisslingen, south-west Germany. A second blew up at the home of a local councillor who organized it.

Another target was a Cologne school dedicated to a resistance hero killed by the Nazis. More bombs were thrown at other foreigners' hostels and an immigration camp.

Herr Roder, a well-dressed former lawyer with semi-firm glasses, started his criminal career in 1974 by founding a *Deutsche Bürgerinitiative* (German Citizen's initiative). A non-violent group upholding Nazi-type beliefs.

But gradually Herr Roder, who described himself as the *Reichswächter* (Reich administrator), began to demand action, with increasing insistence. In 1978 he was dismissed for his political activities and sentenced to jail for radical incitement. He escaped abroad.

He appears to have lived undisturbed for a couple of years in several countries including Britain, directing right-wing activities, circulating letters to his followers and supported by substantial donations from sympathizers. Later, he slipped secretly back into West Germany.

The other three accused are allegedly members of his latest group, the *"Deutsche Aktionsgruppen"* (German action groups). They are: Frau Sybille Vorderbrügge, 25, a medical assistant; and Herr Raymond Hörne, 52, a metal worker who allegedly made the bombs.

The fourth, who is accused of murder, is Dr Heinz Coiditz, 51, an ear, nose and throat doctor who would regulate his patients with his right-wing views and boasted that he always refused to treat foreigners — as a "service to the fatherland".

The trial, which is expected to last at least until the end of March, is being held in the courtroom specially built for the trial of the Baader-Meinhof terrorists of the 1970's, and the accused are housed on the same floor of the high security wing where Andreas Baader and his comrades lived and committed suicide.

The security services believe the neo-nazis are far less cunning and professional than the left-wingers and believe they can contain right-wing terrorism.

A 14-month-old baby died today of her injuries suffered when a bomb shattered a Jewish restaurant in West Berlin on Friday night. Twenty-four people were injured.

Police at first suspected that the attackers were a Palestinian or Arab group, but today they said they were investigating "in all directions".

Mitterrand suffers biggest defeat since socialists came to power

From Charles Hargrove,
Paris, Jan 18

Saturday's rejection by the Constitutional Council of parts of the French nationalization law, and the Opposition's victory in four parliamentary by-elections a day later, are the first serious setbacks suffered by the Socialist Government since it came to power seven months ago.

The setback is not softened by the facts that the council did not challenge the principle of nationalization, as the Opposition had hoped, and that the political balance of power is unchanged. The three seats lost by the left yesterday in any case were conservative since 1958, and were won by a hair's breadth in the "pink" tide which swept the country in the June election.

However, Opposition claims that the tide is beginning to turn seem premature. There is every reason to believe that the left would be returned with a substantial majority in a general election now.

President Mitterrand may not be sorry that both the constitutional and the electoral setback, which do not undermine the Government's programme or affect its power base, will calm some of the hotheads in his own party, who talked in recent weeks about disregarding the Constitutional Council's decision. There have been reports that President Mitterrand has regretted in private the rush to rush through Parliament in about a month under an accelerated procedure.

Campsite blast trial opens

From Richard Wise
Madrid, Jan 18

The trial opened in Tarragona today. Six men accused of responsibility for the Los Alfaques camping disaster in which more than 200 foreign tourists were burnt to death in July, 1978, when a tanker carrying propylene gas exploded on a road near by. Excerpts from their right under Spain's 1978 democratic constitution, a group of local citizens headed by the Mayor of the village of Reus appeared at the court today demanding exemplary sentences to prevent such tragedies ever occurring again. They want the sentences to bring about stricter security regulations, especially near industrial areas. The camping site was located near industry. The trial could not be started earlier because of cumbersome legal procedures.

According to the investigating magistrate's findings, the tanker was overloaded, carrying 51,700lb of the liquid gas, whereas its maximum capacity was only 48,680lb. The tank was said to be in a defective condition and made of a steel unsuited for transporting such dangerous material.

The camping site, near the Tarragona-Valencia main road, was overcrowded, with a total of 780 holidaymakers staying there, instead of 264, the officially permitted number. The public prosecutor asked for sentences of four years and two months for Señor Alfredo Marco, the head of security at Enpetrol, the state-owned company, which supplied the propylene; Señor Francisco Molinos, in charge of security at the local plant; Señor Alfredo Orti, the plant's manager; and Señor Jose Villalba, the mechanic who filled up the tanker.

The prosecutor also asked for one-year prison sentences each for Señor Socrates Arguelles, the chairman of Cisternas Reunidas, owners of the tanker, and Señor Alfonso Hernandez, the firm's technical director.

A total of 215 holidaymakers lost their lives in the explosion and 67 others were injured.

Nimeiry toughens austerity

Khartoum, Jan 18. — President Nimeiry of Sudan, under pressure to rescind austerity measures had said he will resign rather than cancel his economic programme.

The measures announced last November resulted in price rises in certain consumer goods such as sugar, which went up by 60 per cent, and petrol which rose by 30 per cent.

President Nimeiry, leader of the country since 1969, told senior party and government officials last night that he would not listen to arguments about the increases caused by the removal of subsidies.

Instead, he said in his speech reported by the official Sudan news agency today that there would be new increases in sugar, wheat and petrol prices during the next 18 months.

"You can even ask me to resign and I am ready for that. I want you to study my programme and tell me if it is useful," the President said.

Sudanese universities and schools were closed indefinitely earlier this month after demonstrations and riots in protest against the increases.

MICRO-TALKS

Aden. — Representatives of communications companies have arrived here to negotiate a microwave communications network for North and South Yemen, Djibouti and Somalia.



Left to right: Pierre de Benouville, Bruno Bourg Broc, Alain Peyrefitte, Jacques Dominiati

There is a strong tendency among these hotheads to accuse the council of Machiavellian shrewdness, first or having invalidated the election results in four conservative seats, and second for giving a particularly vicious verdict on nationalization.

This verdict avoids a clash with the Government that would have caused a constitutional crisis, but undermines its economic policy by prolonging uncertainty in a fifth of the economy, and sharply raising the tax bill.

That is not the view taken by the Government, which derives satisfaction from the Council's decision in favour of the principle and scope of nationalization, even if this means unexpected delay and considerable extra cost. Now it is racing against time to draft a new Bill today, which the Cabinet can approve on Wednesday, and which can be rushed through Parliament in about a month under an accelerated procedure.

As for the by-elections, the Government regards them as a salutary lesson to its own supporters to mobilize more effectively. Paradoxically, the right this time was more successful in this than the left. But many Socialist voters failed to go to the polls, and many moderate voters who had backed the left in the general election, especially farmers, white collar workers, and shopkeepers, deserted it because they are disillusioned with the Government.

Some left-wing voters may also have abstained to express disappointment that the victory of the left last summer has not brought about the concrete changes in their daily lives which they had hoped for.

The question raised for the Government is whether it should increase the pace and scope of reform or, as M Jacques Delors, the Finance Minister, insisted last year,

reduce them to fear of losing the moderate voters without whom it could not have won last summer.

The results of yesterday's poll are clear. M Alain Peyrefitte, the Gaullist former Minister of Justice, who lost his seat in the Seine-et-Marne, by 186 votes last June, was back by more than 6,000 votes. The Gaullist newcomer in the Marne, M Bruno Bourg-Broc, had a majority of nearly 5,000, compared to June's Socialist majority of 256.

In the Twelfth District of Paris, General de Benouville, a Gaullist who scraped through with 48 votes in June, scored more than 4,000 this time in a particularly low poll. And in the Second District, M Jacques Dominiati, a former Gaullist turned Giscardian, was more than 3,000 ahead in a 50 per cent poll, after losing by 57 votes in June.

Martens wins bulldozer vote

From Ian Murray
Brussels, Jan 18

At five o'clock this morning an exhausted Belgian Parliament took the final vote to agree the special powers sought by the Government to deal with the country's economic crisis.

The Bill now goes before the Senate for approval and it should be in force by the end of the month. The special powers have been nicknamed "The Martens bulldozer" in honour of Mr Wilfried Martens who heads the right-wing Social Christian Liberal Party coalition. The aim is to revive the economy, improve public finances and create employment.

The Government object is to keep its promise to reduce this year's expected budget deficit by 120,000m Belgian francs (£1,500m). In practice, it will be using the powers to water down legislation which makes salaries automatically index-linked.

The special powers mean that the cabinet, in consultation with the King, can agree financial edicts without debating them in Parliament. Parliament merely has to be informed of the Royal edict and any objections would amount to a motion of no confidence in the Government.

Mr Martens rallied his coalition partners in Parliament last week as the debate was dragging on by telling them: "Let us not be frightened of being unpopular".

Nkomo denies party merger proposals

From Stephen Taylor, Salisbury, Jan 18

Mr Joshua Nkomo, leader of the second largest party in Zimbabwe's coalition Government, today condemned trends within the ruling Zanu (PF) Party and dismissed claims by Mr Robert Mugabe, the Prime Minister, that talks would start in two weeks on merging their parties.

In his most outspoken statement since his followers clashed with Mr Mugabe's supporters last February leaving more than 200 dead, Mr Nkomo indicated that prospects of a merger had, if anything, receded.

Mr Nkomo, President of the Patriotic Front, told *The Times* he was worried that Zanu (PF) was departing increasingly from the constitution agreed at Lancaster House and was holding itself above Parliament.

Mr Mugabe told rallies around Salisbury yesterday that talks would start between Zanu (PF) and the Patriotic Front shortly to discuss making Zimbabwe a one-party state. No party other than Zanu (PF) would rule in Zimbabwe and it would be in power forever.

Mr Nkomo, veteran of nationalist politics and known by his supporters as "Father of Zimbabwe", said the Prime Minister's statement had raised serious misgivings in the Patriotic Front and had deeply concerned him personally. Zanu (PF) was assuming that the Patriotic Front would acquiesce.

The Patriotic Front holds 20 of the 80 black seats in

Parliament and as the main alternative to Zanu (PF) would have to be involved in any peaceful transition to a one-party system. Mr Nkomo indicated that there would be no talk on unification in the foreseeable future and that although the possibility of a merger had been raised "you never heard it from me".

It was on the constitution that he was most critical, noting that speeches by Mr Mugabe which set Zanu (PF) up as the main political force were a contradiction of the document which the two leaders signed at Lancaster House "which states clearly that Parliament is supreme and not any political party".

As a result Zanu (PF) members were setting themselves above the organs of state such as the police and Army while party men had been given a disproportionate number of appointments in the Civil Service.

Mr Nkomo, who has been a virtual recluse from public life in recent months, said he had been shaken by the Prime Minister's weekend speech: "I believed we were working together for peace and unity... but you can't force unity".

Speeches by Mr Mugabe on the one-party theme upset Mr Nkomo's supporters who traditionally have different regional and tribal affiliations but in recent months they have drawn back from public criticism. The fact Mr Nkomo has responded in so forthright a manner does not bode well.

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100,000 Europeans work for IBM

Poland: retaliation

US wants curb on sales of high technology to East

From Nicholas Ashford, Washington Jan 18

The United States will call for tougher restrictions on the sale of high technology to the Soviet Union and other East European countries at the special meeting of the Western Coordinating Committee in Export Controls (Cocom) which begins in Paris tomorrow.

Although American officials are making a distinction between the Paris meeting and the sanctions which the United States has already imposed against the Soviet Union and Poland, it is clear they hope to use the Polish crisis to spur their Western allies into accepting the need for more rigorous trade curbs.

Mr James Buckley, the Under-Secretary for Security Assistance, will be heading the joint team from the State, Defence and Commerce departments to the week-long talks.

The meeting was first proposed during last July's summit conference of seven Western industrialized countries in Ottawa which called for consultation to ensure that in the field of East-West relations the west's economic policies continued to be compatible with our political and security objectives.

The coordinating committee is an informal grouping which comprises all NATO countries, apart from Iceland, and Japan. Its function is to regulate the transfer to communist countries of high technology which could affect the national security of the Western allies.

The United States, concerned that the Soviet Union is using high technology items purchased from the West to improve its military capability, is proposing tougher restrictions in nine main categories of equipment. These include computers, machine tools, heavy transport, power equipment,

air and sea navigation equipment and metallurgical goods.

America will also call for tighter curbs on the transfer of technical know-how. "We are very concerned that while the restrictions already imposed on equipment sales to the communist block have been quite effective, there are few similar restrictions on providing the Soviets with Western know-how," one official said today.

The American attitude towards this week's meeting was recently spelt out by Mr Lawrence Brady, an Assistant Secretary of Commerce, who said the Soviet Union was buying high technology from the West and diverting it as "the engine of the Soviet military machine."

Mr Brady, who is known for his tough attitude towards Moscow, told an audience in San Francisco: "We are pledged to the Soviet military build-up, and we are pledged substantially to reduce Soviet leverage over the economies of the non-communist world."

The Ottawa summit revealed sharp differences in approach towards East-West relations between the United States and its allies, particularly West Germany. These differences have recently been underscored by the more restrained approach of Western Europe towards the Polish crisis compared to Washington.

The United States is particularly opposed to the construction of a natural gas pipeline from Siberia to Western Europe. President Reagan recently announced the suspension of licences for the sale of American pipe-laying equipment for this project, and has threatened to impose a seven-point sanctions against the Soviet Union.

Although oil and gas equipment does not officially

fall within the scope of Cocom, the pipeline is expected to be discussed at the Paris meeting. United States officials estimate the Soviet Union will earn about \$5,000m (£2,600m) a year from gas sales to Western Europe. This, they contend, would increase Soviet ability to purchase computers, advance electronics equipment and other high technology products suitable for military use.

American officials do not expect the Cocom meeting to reach agreement on a new list of restricted items. However, they hope the other participants will come away convinced to the need to improve and expand controls on trade in strategic goods with the communist block.

France and the Soviet Union have resumed negotiations regarding possible French gas purchases from Russia. The talks had broken down at the beginning of last month (Our Paris Correspondent writes). A team from Russia's Soyuzgas Export arrived in France today and is planning to spend a week resolving the remaining differences regarding France's planned purchase of 10 million cubic yards of Soviet gas starting in 1986.

The venue of the talks is not being revealed for fear of political demonstrations, but it is believed to be somewhere outside Paris.

When the Polish Government introduced martial law last month, there was speculation here that the French Government might postpone the talks or reduce the amount of gas to be purchased as a gesture of disapproval of Soviet interference in Poland. President Mitterrand clearly does not feel that the Polish situation justifies any change in the timetable.



"Auch... these Jews are still everywhere!"

Mercenary group faces new charges

From Ray Kennedy, Johannesburg, Jan 18

The 45 mercenaries arrested by the South African police after their unsuccessful coup attempt in the Seychelles in November were charged today with jeopardizing the safety of the international airport on Mahé island in the Seychelles and with action that might have jeopardized good order and discipline at the airport.

The charges, an alternative to the main charge against them of hijacking an Air India Boeing from the Seychelles to South Africa, took both legal and diplomatic circles by surprise. They have been brought under the 1972 Civil Aviation Act, which is enabling legislation giving effect to the international treaties on hijacking and air piracy that South Africa has signed.

By bringing in the alternative charge of disrupting activity at Mahé airport the South African authorities have opened up an entirely new situation. The mercenaries will go on trial not only for allegedly hijacking the Boeing but for their actions in the Seychelles as well.

Diplomatic observers, who were in Durban magistrates court today when the 45 were remanded for trial by the Natal Supreme Court, said it was being made absolutely clear that South Africa intends to stand by both the letter and the spirit of the international agreements on air piracy that it has signed.

The 45 were not asked to plead to the charges and their conditions of bail were renewed. Some dispute has arisen over the trial date expected to be in April. Counsel representing Colonel Michael Hoare, alleged leader of the group, and 17 others, argued that insufficient time was being allowed by the Natal Attorney General's office to prepare a defence.

The state has listed 43 witnesses, including the entire crew of the Air India Boeing. So far the Indian Government has not indicated if they will be allowed to give evidence - there are no diplomatic relations between India and South Africa.

Terror in Italy

Live TV bomb plot documents found

From Peter Nichols, Rome, Jan 18

Italy's Christian Democrats are looking for a terrorist in new light this week, after the discovery of an alleged plan by the Red Brigades to blow them up next Friday live on television at the opening of the Christian Democrat national council.

The plan is supposed to have emerged from documents found in three bases of the Red Brigades' terrorist movement by investigators on January 9. Signor Giovanni Senzani, allegedly in line to lead the whole movement, was arrested.

A great deal emerged too, of a planned winter offensive by the terrorists, including six actions either planned or already carried out.

An attack on Nato had been threatened by the terrorists. There was to be a kidnapping or ransom of a leading business executive to finance the movement; then the kidnapping and interrogation of a leading police official at the Ministry of the Interior; an attack with missiles on a maximum security prison to free well-known terrorists; the seizure of a judge and, as the sepiace, the blasting with missiles on Friday of the Christian Democrat meeting which would have been attended by many of Italy's leading politicians.

On December 17 Brigadier General James Dozier, deputy chief of staff at the Nato headquarters in Verona was kidnapped. He is undergoing a "peoples trial", according

to his captors. This morning there was a meeting of investigators in Verona to review their work; but so far there is no indication of any success.

On January 4, the Rome special branch arrested two alleged terrorists said to have been about to kidnap Signor Cesare Romiti, managing director of Fiat. On January 6 Signor Nicola Simone, deputy head of the Rome special branch, escaped capture when terrorists came to his home saying they were delivering a telegram. But Signor Simone was badly wounded in the exchange of fire.

The arrest of the two would-be kidnappers of Signor Romiti is said to have led to the arrest of Signor Senzani on January 9 and the discovery of missiles, automatic weapons, pistols, hand grenades and explosives.

Not only was there said to be detailed plans of future action, including the attack on the Christian Democrats, but there were also copies of interrogations of victims of the past and a film of the killing of a hostage photographed clearly enough for the killers to be recognized.

Doubts, however, are beginning to be expressed to the reliability of all these reports, none of which come from officially released documents. Similar doubts are expressed as to whether the full truth is emerging from a piecemeal technique of allowing selected pieces of information to emerge.

Ethiopians say Eritrea is beaten

Addis Ababa, Jan 18.

The official Ethiopian news agency said today government forces had smashed the Eritrean secessionist movement which has been fighting the central government for more than 20 years.

The assertion came against the background of diplomatic reports in Nairobi of large-scale Ethiopian troop movements in the strategic Red Sea province.

As the secessionists have been effectively smashed, the agency said, "The apparent existence of scattered pockets of insurrection can be of no consolation to those who have directly or indirectly worked for Eritrea's estrangement from the motherland."

Eritrean guerrillas have been fighting for the independence of the northern province since September 1961, saying it was illegally annexed by the late Emperor Haile Selassie, overthrown seven years ago by young left-wing officers who perpetuated his policy of stamping out the nationalists by force.

Diplomatic sources in Nairobi said that almost half the Ethiopian army of 240,000 men - the largest in black Africa - was now in the north in apparent preparation for another attempt to crush nationalist resistance.

Tahar Nur, of Eritrean Liberation Front (ELF), said Ethiopia was being assisted by a tank brigade and a Cuban Infantry battalion. - Reuter.

Army calls for party purge to be continued

By Our Foreign Staff

A continuing purge of the Polish Communist Party, and a return to party principles, was demanded by the Polish armed forces newspaper yesterday.

The article in *Zolniers Wolnosci*, came after official disclosures that nearly 1,000 people had been expelled from the party in the first three weeks of martial law. A further 1,300 people were given less serious penalties.

Mr Mieczyslaw Rakowski, the Polish Deputy Prime Minister, was quoted yesterday as saying that those could return to Poland within a month if martial law were lifted.

"If we really want reform and the economic stabilization which would make these reforms possible, then we cannot lift these measures taken with a heavy heart and create a situation in which the whole chaos would return within a month at the latest," he told the West German news magazine *Stern*.

"Unfortunately," he added, "that forces us to take repressive measures against those people who would only endanger a continuing renewal."

Justifying the party purges, Mr Tadeusz Nowicki, the vice-chairman of the party's Control Commission, claimed that the Control Commission had the duty to take a firm stand against ideological wavering or capitulation to the enemies of socialism, and against any signs of sectarianism, dogmatism or revisionism.

"This, obviously, has nothing to do with revenge or vengeance," Mr Nowicki said. "The issues at stake are truth, honesty and justice."

According to Senator Larry Pressler, a Republican from South Dakota, who returned to Washington yesterday after a four-day visit to Poland, Archbishop Jozef Glemp, the Polish Primate, fears that civil war may break out in Poland if negotiations between the Government and Solidarity do not get under way.

Meanwhile, General Wojciech Jaruzelski, the military leader, has ordered the introduction of the traditional Polish four-cornered caps in the uniform of the Army company performing guard of honour duties. The company wore the caps for the first time on January 17, the anniversary of the liberation of Warsaw by the Soviet Army.

All the BBC's daily transmissions in Polish continue to be jammed from the Soviet Union. The jamming, which is taking place from at least three sites, is already the subject of a protest by the Foreign Office.

Walesa can expect to be held for some time

From Roger Boyes, Warsaw, Jan 18

Mr Jozef Walesa, the Deputy Foreign Minister of Poland, made it clear today that there was no hope of an early release for Mr Lech Walesa, the Solidarity leader. Although he did not make an outright denial of comments made in London by Mr Stefan Staszewski, the Polish Ambassador, he left no doubt that Mr Walesa would be kept in detention for some time to come.

"We don't know what was said exactly in London," Mr Walesa told a news conference. "We know him (Mr Staszewski) as a great optimist." Some of the reports of the meeting with the Polish Ambassador might also have been misinterpreted to give them an optimistic sheen, he added.

Mr Mieczyslaw Rakowski, the Deputy Prime Minister, speaking at the same news conference, said that Mr Walesa had held a number of meetings with Mr Ciosek, the Minister for Trade Union Affairs - but he indicated that they had not achieved any results. They had discussed the future of the unions, Mr Rakowski said. "I think it would be fair to say that Mr Walesa spoke more about the future of Solidarity than Mr Ciosek."

Mr Rakowski said that Mr Walesa had not been accompanied by his advisers in the talks with Mr Ciosek - reinforcing the view that nothing of substance has been agreed. Mr Walesa has continually emphasised that he will negotiate seriously

only if other Solidarity leaders are present. Mr Rakowski denied Archbishop Jozef Glemp's statement that the Solidarity leader had demanded an official apology from the Government for imposing military rule.

The Deputy Prime Minister also said there was no prospect of ending internment before martial law itself was abolished. And martial law itself was likely to be phased out only when all "signs of anarchy" had been eliminated. This is seen as a reference to a secret regrouping of Solidarity as an underground organization. The West Mr Rakowski said, should think twice about criticizing Poland on internment extremists.

"Do they want us to return to a situation that existed before December 13? What would the West have done if Poland had collapsed into civil war?" Freeing these "extremists", Mr Rakowski said, would simply reopen the old problems.

Once a normal and stable situation was restored, the main task was to push through socio-economic reforms and adjust structures to the changing expectations of Poles - above all the young generation. Part of this adjustment would be to form new trade unions that operated within their statutes. But, Mr Rakowski admitted, there was no prospect of this before the end of martial law.



Israeli settlers have stopped the dismantling of this 1967 war memorial

Shamir casts doubt on autonomy talks

From Moshe Brilliant, Tel Aviv, Jan 18

Mr Yitzhak Shamir, the Israeli Foreign Minister, said today that prospects for an early breakthrough in the Palestinian autonomy talks have dimmed because the Egyptians have suddenly hardened their position.

The minister told the Knesset foreign affairs and security committee and the Egyptians in their recent meetings that the agreement they were seeking must be

acceptable to the Palestinians. Mr Shamir said this represented a shift from President Sadat's position. The former leader at his last meeting with Mr Begin in Alexandria in September said if the two Governments agree on an autonomy plan, it would be his responsibility to deal with the Palestinians.

The new Egyptian stand was opposed by Israel, he said. The United States, Egypt and Israel should be the only parties to an agreement at this time.

Representatives from Egypt and Israel today discussed Israel's final withdrawal plans from the Sinai peninsula but could not settle the fate of a coral reef resort and a Mediterranean town. (Our Cairo Correspondent writes).

Soviet pressure to mend split

From Karan Thapar, Kabul, Jan 18

Under Soviet pressure the ruling People's Democratic Party of Afghanistan has again begun desperate efforts to mend the split in its ranks. The aim is to reconcile the Parcham faction of President Babrak Karmal with the Khalq group which held power under Presidents Taraki and Amin.

The rift in the party, which dates back to 1967, is seen by the Russians as the main reason for the Afghan Government's failure to establish itself independent of Soviet armed support.

The divide is so deep that some Khalqis, who are said to be as bitterly opposed to Russian intervention as the mujahidin guerrillas, are believed here to be leaking information to the mujahidin. People in both factions are unrestrained in their criticism of the state of the country.

The first goal of the reconciliation is to include a greater number of Khalqis in the largely Parcham Cabinet. The dilemma the Russians face is that a significant section of the Parcham group is opposed to reconciliation. Underlying the resistance to party unification is the tribal rivalry which has always bedevilled Afghan politics.

Baby dies after Berlin blast

Berlin - A 14-month-old girl has died from injuries received when a bomb wrecked an Israeli restaurant on Friday night.

The blast injured 25 people and seven, including the dead child's parents, are still in intensive care. Two little-known Palestinian groups claimed responsibility for the bomb attack, but so far no direct evidence of Palestinian involvement has been found.

Schmidt meets unions in unemployment crisis

From Patricia Clough, Bonn, Jan 18

Alarmed by West Germany's worst winter unemployment for 16 years, Herr Helmut Schmidt, the Chancellor, and Government ministers tonight began talks with union leaders about ways of creating more jobs.

The Government has come under increased pressure from the unions and Herr Schmidt's own Social Democratic Party to work out some employment programme after December jobless figures passed 1,700,000.

Until now such pressure has failed because of strong resistance from the junior coalition partner, the liberal Free Democrats, and the Chancellor himself has never been particularly enthusiastic. But now the Free Democrats, also shaken by the figures, agree that something must be done, although everyone has widely differing views as to what.

The Free Democrats' readiness to compromise on the subject, which nearly led to the break-up of the coalition last summer, is an important development for Herr Schmidt's government.

After months of friction in which the FDP seemed to be edging towards the conservative Christian Democrats with a view eventually to forming a new government, the coalition is more united than for a long time.

The Polish crisis in particular has shown that the FDP stands side by side with the SPD on the extremely important issues of foreign and defence policy, and that they have little in common with the hard-line CDU.

During tonight's talks and further discussions tomorrow both with leaders of industry and with unions, Herr Schmidt will sound out ideas for a government plan which is expected to be decided on by the Cabinet on February 3.

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Bureaucrats fail to save convent

Madrid - Demolition work is beginning on a sixteenth century convent near Malaga for which protection has been sought as a historic monument. The site is wanted for building development.

If the development goes ahead it will be principally because of Spain's slow-moving bureaucracy. It will be legal because the town council of Velez Malaga has not taken any action reviewing the application for permission to develop within the statutory period of 12 months.

The convent was built in 1591 by a follower of Saint Teresa of Avila, the fourth century of whose birth is now being celebrated, and of St Joan of the Cross, the mystic poet. Classification as a historic monument has been sought since 1968.

Russians top of nuclear league

A total of 49 nuclear explosions were monitored in Sweden during 1981, the Swedish Defence Minister said. The Soviet Union carried out 21 tests, the United States 16, France 11 and Britain one. The ministry monitors tests at seismic observatories in Hagfors and Gppsala.

Mr Ola Dalman, the ministry's nuclear test expert said there were indications that five of the Soviet explosions may have been for non-military purposes, perhaps for earth-moving during exploration.

Arabs accused of synagogue attack

Vienna - The trial has started of two young Arabs accused of killing two people and injuring 20 in a machine-gun and grenade attack on Vienna's synagogue - last August. Husham Rajih, aged 21, and Marwan Hassan, aged 26, were accused of murder, manslaughter and illegal possession of arms.

Rajih was also charged with murdering Herr Heinz Nittel, the Vienna Transport Councilor and head of the Austro-Israeli friendship society, who was shot in his car outside his home on May 1.

Alpine tragedy

Grenoble - Three French climbers, two women and a man, were killed and four others seriously injured when they were swept off a rock face by an ice avalanche at the resort of l'Alpe d'Huez at the weekend.

Drug arrests

Kuala Lumpur - Police arrested a total of 8,239 people, including 76 foreigners, for drug offences and seized about 1,600 lb of drugs in Malaysia last year.

Chamois dying

Macugnaga - Dozens of chamois have died in Italy's western Alps in the past few weeks after an epidemic blinding them. Alpine guides and naturalists have reported that the blind chamois died of starvation or fell to death in crevasses.

Oil death toll 249

Madrid - Four women died in hospital last weekend, three in Valladolid and the other in Salamanca, bringing to 249 the death toll in the Spanish cooking oil scandal.

Swoop on Mafia

Reggio de Calabria - Police here arrested 22 members of the Calabrian Mafia, belonging to one of the largest clans in the province. Its leader, Mr Giuseppe Poromallo, 61, escaped arrest.

IGLESIAS TRIP

Madrid - Dr Julio Iglesias, who was rescued by police from kidnappers on Sunday, is to fly to Miami to see his son, Señor Julio Iglesias, the pop singer, next Wednesday.

RAILMEN KILLED

Dijon - Five railway workers died and four were injured when a train hit their lorry in the marshalling yards at Perrigny-les-Dijon.

EEC gives ministers ultimatum

From Ian Murray, Brussels, Jan 18

The European Commission decided today to go ahead with agricultural price-fixing negotiations today to give foreign ministers a last chance to draw up guidelines for restructuring the Community's finances and agricultural policy.

The commissioners were meant to have spent the day drawing up price recommendations for tomorrow's Agricultural Council. Mr Paul Dalsager, the commissioner in charge of agriculture, was anxious to press ahead with the price and has spent much of the weekend working on the dossiers.

When the Commission met today it was first given a report by Mr Gaston Thorn, the President, and M Fran-

cois-Xavier Ortoli, the Commissioner for Financial Affairs, about last week's meeting of foreign ministers in Brussels. This meeting had tried unsuccessfully to draw up the guidelines and had decided to have a last attempt to reach agreement next Monday.

If the foreign ministers reach agreement it will profoundly affect the whole strategy of fixing agricultural prices. The commission therefore decided it would stand aside this week to ensure that the ministers could negotiate without any feeling of interference.

The commission this evening made it clear it was not going to give the foreign ministers any more time.

"Whatever the outcome of the council," the declaration said, "the Commission will then decide its agricultural price proposals." The Belgian presidency of the council will be asked to call a meeting of agriculture ministers as quickly as possible so that the negotiations to fix prices can be completed.

There is irritation in the Commission's decision. Mr Thorn said at the end of last week's foreign ministers' meeting: "I am very disappointed. We are dragging our feet." The Commission's view, expressed before that meeting, was that all the facts were known and only the political will was missing. The Commission felt it had done everything necessary

High seas attack jolts Manila links with Tokyo

From Peter Hazlehurst, Tokyo, Jan 18

Tokyo's relations with Manila were strained today after President Marcos's Government admitted that Philippine Air Force fighters had strafed a Japanese chemical tanker off Mindanao Island in the southern Philippines on Friday.

A Korean cook on the 5,307-ton tanker, The Hegg, was seriously wounded during the attack, in which T28 aircraft fired about 100 rounds at the vessel.

The crew of The Hegg said they could not identify the markings on the aircraft, and could offer no explanation for the attack. The ship was said to have been in international waters at the time.

The Japanese Foreign Office announced today that the Government of the Philippines had now admitted that its Air Force was ordered to attack the tanker because Manila had "reliable information" that the ship was carrying arms and ammunition for Muslim guerrillas fighting for an independent Islamic state in Mindanao.

Officials said Mr Hideo Tanaka, the Japanese Ambassador in Manila, had obtained details of the incident from the Filipino Government today. His report said a patrol boat had spotted The Hegg off Mindanao and ordered her to stop. Filipino officials claim she ignored the order and attempted to sail away.

The air force was then ordered to fire warning shots over her, but the Japanese captain failed to respond and propeller-driven T28s fired at the vessel. The cook was wounded in the legs, arms and stomach. The other 21 crew were uninjured.

Japanese government officials said today that it seemed "unbelievable that a ship belonging to a reputable company would carry arms for insurgents." The owners of The Hegg, the Kita-Nihon

Oil Kaitun Company, also denied that the tanker was carrying arms or ammunition.

A spokesman said the captain had contacted the company by radio telephone to say his ship had been attacked 24 miles off the coast of Mindanao.

Japanese officials said the Government would question the crew and obtain a detailed explanation from Manila "before we decide on diplomatic action."

Manila: Mr Carlos Romulo, the Philippines Foreign Minister, said today the aircraft which attacked the tanker were "legitimate defence" of national security.

He said in a statement that the Hegg was suspected of carrying terrorists and about 15m worth of arms and explosives.

Mr Romulo and Brigadier-General Delfin Castro, the Southern Philippines military commander, said The Hegg was not flying a flag, was well inside Philippine waters and ignored signals to halt before the assault by two aircraft.

General Castro said the pilots flew so close to the machine-gun and rocket attack that they could see the words "dangerous cargo" painted on the hull.

Mr Romulo said military authorities were closely monitoring sea traffic in the area because of an intelligence report that a cargo vessel would attempt to land guerrillas and war materials at Sarangani Island, off the southern tip of Mindanao.

The aircraft had fired 30 machine-gun rounds and two rockets in an attempt to disable the ship, he said.

Mr Tanaka said after meeting Mr Romulo and Mr Manuel Collantes, Deputy Foreign Minister, that the Philippines side appeared suspicious of The Hegg from the outset.

Army demands power Sattar feels the heat in Bangladesh

From Trevor Fishlock, Dacca, Jan 18

Only two months after the presidential election Bangladesh has entered a new period of uncertainty and pessimism, with the survival of President Abdus Sattar's Government in question.

The aged President, pushed into place as the keystone of Bangladesh's civilian rule after the murder of President Zia, is under growing pressure. The ruling party is splitting and discontent is so serious that Mr Sattar has delayed calling Parliament. Economic prospects are causing concern and the Army is demanding the place in government that it regards as its due.

These pressures are potentially damaging to Mr Sattar, but the most crucial is the struggle between him and Lieutenant-General H. M. Ershad, the Army chief.

Mr Sattar is adamant that the forces have no place in government in a democracy. He has thus set himself squarely against the Army, which believes it is owed a living. Partly because of why a group of them killed him last May.

After the murder, General Ershad earned respect for sticking by the constitution. He went to Mr Sattar's sickbed, helped him into his clothes and saw him sworn in as acting President. General Ershad has spoken of his commitment to civilian rule. "I am a soldier, not a politician."

If the officers expected Mr Sattar to accommodate them they were mistaken. They



Sattar: No Place for army in government.

found themselves dealing with an obstinate man of 75 who made it plain that times had changed.

In statements to newspapers General Ershad made the case for the Army as a stabilizing force. He said it had to have its place, had to be made happy. He did not himself seek power, and the Army did not want to govern.

His statements are intended partly for consumption in the cantonments, to convince officers he is working for their interests.

The President has now responded to pressure, mistakenly some think, by setting up a national security council, comprising ministers and service chiefs. General Ershad has rejected it, saying it would not serve the Army's demands and aspirations, although what these were he did not specify.

The Government thinks the Army wants the security council to be senior to the Cabinet. The President wants it to be advisory. Anything else, he feels, would make him the front man for a leadership strongly influenced by the Army.

A precipitate move by the Army is, however, unlikely as long as General Ershad is in control. Officers also know that the country's problems are huge and that its economic supporters would be furious if the Army moved in.

Mr Sattar also upset the ruling Bangladesh National



Ershad: Working for officers' interests.

Party by making Dr A. Mirza Huda, who is not a party member, Vice-President. The politicians wanted the job to go to one of their own elected number and some are upset by the re-appointment of Mr Shah Aziz as Prime Minister.

Zia formed the party and without his powerful presence the old strains are showing. Mr Sattar at odds with the party and the Army, and facing economic problems, has become isolated. It is possible that skill and judgment could work the necessary compromises, but without these the days of his leadership could be numbered.

Pakistan vows justice for Bhutto terrorists

From Hasan Akhtar, Islamabad, Jan 18

Al-Zulfikar, the urban guerrilla group, poses a serious threat to the internal security of Pakistan, Mr Mahmood Haroon, the country's Interior Minister, has claimed. The guerrilla group is allegedly headed by Mr Muraza Bhutto, the son of Zulfikar Ali Bhutto, the executed former Prime Minister.

Mr Haroon, who was speaking last night in the newly established Federal Advisory Council at the end of a three-day debate on internal security, claimed that the guerrillas were being trained and armed in Kabul. He vowed that the government would one day bring the leader of Al-Zulfikar, now living in Kabul, to trial.

The Government, he said, had established anti-terrorist squads throughout the country to combat this threat to national security. The Government was also equipping the police with more up-to-date arms and vehicles.

The Interior Minister blamed Al-Zulfikar for a political murder in Lahore at the end of last year, and killing police officers. The Government knew about the hit-list of Al-Zulfikar and provided protection for those whose names were on it. They included ordinary people known for their enmity towards the executed Prime Minister.

Yugoslavs shot dead 'by secret police'

Heilbronn, West Germany, Jan 18. — Gunmen shot dead two Yugoslav exiles of Albanian origin and killed a third last night in what was probably a politically-motivated killing, West German police said today.

The assailants opened fire as the three men, Mr Jusuf Gervalla, aged 36, Mr Bardhosh, aged 31, and Mr Ceka Kadri, aged 28, drove out of a garage in a quiet Heilbronn suburb soon after 10 pm, a police spokesman said.

He said Mr Jusuf Gervalla, who died several hours later in hospital, accused the Yugoslav secret police of being behind the attack. The Gervalla brothers were described by the spokesman as politically active in support of independence for the Yugoslav province of Kosovo, two thirds of whose population is Albanian.

Both men had been named by authorities in Yugoslavia as leaders of an anti-Yugoslav organization, he said. Police are searching for two men seen running away from the scene of the shooting, in which at least one handgun was used. Mr Bardhosh Gervalla, employed in West Germany as a social worker, and Mr Kadri, a journalist who had been given political asylum in Switzerland, were sitting in the front of the car and died instantly in the hail of bullets, the spokesman said.

Prisoners of conscience



USSR: Anatoly Shcharansky

By Caroline Moorehead

Anatoly Shcharansky, chessmaster and mathematician, will celebrate his thirty-fourth birthday tomorrow in the closed prison of Chistopol in the Tatar Autonomous Republic, almost certainly in solitary confinement. He is serving a 13-year sentence — three in prison, 10 in strict regime labour camp — for anti-Soviet agitation and espionage. He is due to be released in 1990.

Shcharansky first came under police surveillance in April, 1973, after he had applied for an exit visa to emigrate to Israel, refused on the grounds that he had access to classified material. In spring 1975, he was dismissed from the Moscow Research Institute.

He became a founder member of the Helsinki Agreement in Moscow a year later and not long afterwards was arrested, allegedly for treason and for working for the American Central Intelligence Agency.

He spent the first 16 months in solitary confinement, without charge, and was told that if he went on asserting his innocence he might receive the death sentence. His trial, in July, 1978, lasted five days.

Shcharansky has been allowed in the last 18 months only one visit from a relative, his mother, Ida Milgrom, who campaigns ceaselessly on his behalf. Letters to prison never reach him, or are rigorously censored. His living conditions have been described by a released fellow prisoner as disgusting beyond words. His diet is pitiable and throughout his frequent spells in solitary confinement he is given only bread and water.

It has now been decided that he is to be allowed to receive two 2lb parcels each week, but they are to contain no chocolate, meat or vitamins.

Gandhi arrests strikers

From Our Own Correspondent, Delhi, Jan 18

More than 2,000 union officials and strike organizers were arrested in India today on the eve of a one-day general strike. Police and paramilitary forces were put on the alert.

The strike is organized by opposition parties and represents a direct confrontation between Mrs Gandhi and her opponents.

The "preventive" arrests of strike organizers was in keeping with the government's warning of stern action. Union leaders called the round-up "a high-handed move to terrorize the working classes".

In Bihar, the state government has ordered police to shoot on sight anyone found committing an act of sabotage or violence.

In other states, the authorities say they are ready to prevent disorder when the strike starts tomorrow morning.

The strike has been called by eight unions allied to Opposition parties. They have asked workers to register a protest against the rising prices. But, more specifically, the strike is a protest against the National Security Act brought in by Mrs Gandhi's Government in 1980.

This measure provides for detention without trial and was enacted "to deal sternly with anti-national and anti-commitments". For its critics, the Act had about it the smell of the emergency period of 1975-77.

The strike is also in protest at the Essential Services Maintenance Act, a measure meant to prevent strikes in a wide range of services and industries.

The Government's view is that such laws play a vital part in keeping production going. Some people have been arrested under the very acts they are protesting over.

Union response to the strike call has been mixed. The Indian Trades Union Congress opposes it. Workers in the rail, road and air networks have decided to work normally, and it seems likely that most shops and markets will open as usual. Workers in hospitals, fire services and milk distribution centres have been exempted from the strike. But banks, engineering, chemical and textile factories are likely to be seriously affected.

Before a pilot is cleared to fly a new type of aircraft on routine passenger flights, he must undergo an exhaustive training course.

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THIS MAN HAS JUST FLOWN A BOEING 747 TO NEW YORK WITHOUT USING A DROP OF FUEL.



St Lucia crisis resolved

Castries. — Mr Michael Pilgrim, the opposition leader, has been sworn in as interim Prime Minister of this Caribbean island.

Mr Pilgrim, who heads the small Progressive Labour Party, will run a national unity government until general elections are held within 90 days. He has yet to set a date for the dissolution of Parliament and is expected to name his cabinet soon.

He was chosen by a

majority of St Lucia's 18-member Parliament after Mr Winston Cenac, the Labour Prime Minister, resigned under pressure from businessmen, trade unions and opposition parties.

Mr Cenac's opponents accused him of mismanaging the economy. A government bid to alter legislation on MPs' expenses unleashed a series of strikes which brought the tourist island to a virtual standstill at the end of last week.

Jet-away fashion by Suzy Menkes

How to choose your light clothes in the grip of winter

If you have the choice of wading through the slush in your wellies, or letting the warm sand trickle through your toes, which do you choose?

Winter holidays in the sun have taken off this year with the speed of a Boeing 707. As I edged my car back from Dorset, with a sleeping bag round my middle and a snow shovel on the passenger seat I think I can see why. Next summer hols seem a very long way away, and fare wars seem to have brought Caribbean shores closer.

It is easy to know what to pack for winter breaks in Britain. You take three of everything and wear it all at once. But who wants to expose Stilton-pale limbs in last summer's faded frocks? Something new to pep up your existing wardrobe is an essential.

Buying lightweight clothes now—even in the arid heat of a store changing room—requires a suspension of disbelief. It also requires careful planning to make sure that you are buying forward to fit in with the coming season, rather than scooping up the end of a trend.

Since all clothes now, including the once reasonably-priced cottons and silks, are very expensive, you should expect them to work hard for you. This means that basic outfits should be just that—good, well-cut separates in crisp cotton or drill, that will look as good on city pavements next summer as they do for inspecting the temples of Sri Lanka. Although the West Indies conjures up instant Hollywood visions of palm tree prints and Hawaiian beach shirts, they are the spice for the sunshine islands. The basics look best in white, navy or safari beige, although colours can be as hot and strong as you like for accessories.

Swimwear is now mostly functional—slim stripes in

sporty shapes that team well with the cheerily coloured sweats and track suit velours I was writing about last week.

Silly evening outfits can be a good investment for sundowner evenings and for an after life of dinner parties, theatre or summer functions.

By one of those fashion ironies, the sailor suit, redolent of an Edwardian nursery, has floated into fashion just at the moment when the winter cruise has been eclipsed by jetting away from it all.

Most of the good stores have serious cruise wear departments which must be the first stop for anyone shopping for the tropics in January.

Simpson has a good selection of year-round summer clothes, including the fresh cottons and broderie anglaise of the French firm Bleu Blanc Rouge.

Fortnum and Mason stock Rosemary Reid and the stunning abstract prints on crisp Italian cottons from Le Purla.

Harrods Calypso Room lives up to its name with a selection of Israeli swimwear, elegant Italian and Spanish sunshine clothes and all the essential accessories.

Dickins and Jones are also strong on swimwear, especially the young sporty looks from Tseklens of Greece and zippy stripes from America's Going Places.

Selfridges has good news for big-built sunseekers. Its extensive range of swimwear includes Busner's collection which goes up to size 24.

Charles Jourdan's cruise wear range (at 39-43 Brompton Road, SW3 only) is as fresh as a tricolour in white, navy and red.

Mango at Midas (New Bond Street, W1; Brompton Road, SW3; Sloane Square, SW3; and Manchester) have tropical prints of palm trees and overblown blooms to take to your paradise isle.



Above left: White cotton fully lined double-breasted blouse (jacket £155, pleated shorts £55, striped T-shirt £26, white / gold brooches £38.50. All from Charles Jourdan, 39-43 Brompton Road, SW3. Watch by Christian Dior. Pearl choker by Adrien Mann. Headscarf, Moema, 241 King's Road, SW3. Belt by Otto Glanz.

Above right: Sailor suit in navy silk trimmed with white, with shirt jacket and pleated skirt. By Chelsea Design Company £190 from 66 Sidney Street, SW3 and mail order; Liberty, Regent Street, W1. White straw boater by Graham Smith at Kangel Diffusion from Fortnum & Mason, Piccadilly, W1; Jenners, Edinburgh next month. White lights, Elbeo. Pearl earrings by Adrien Mann. Cotton gloves by Dent-Fowles.

Far left: Gold silk shantung shirt dress with striped bib front and brass bowtie £128. Two-tone gold and sand cottons skirt £59, also slate, blue. Benny Ong Designer Collection from Harrods end Jan.

Left: Red, white and blue ruched strapless swimsuit £30 by Liza Bruce, Harrods; Whistles shops; Rebecca, Maidenhead; Vanity Fair, Newport Pagnell; Gilana, Weybridge; Kenner, Kensley, Nottingham; Poppings, Portsmouth. White poly cotton blouse £17.99, also beige, green, selected Marks & Spencer stores. Watch £77 by Christian Dior, Garden Workshop, Hatton Garden, EC1; Alex Lavers, Taunton Somerset.

Photographs by John Swannell

Hair by Trevor Bowden at Colombe. Make-up by Mary Vango with Ultima II Scientific Sun Control.

Snippets

■ Half the young brides in Britain would be unwilling to give up their jobs and stay at home even if there were no financial reason to work. Three quarters of those women consider their jobs as important as their husbands' and see their careers as more than just a supplement to the family income.

The modern-minded girl has overturned almost all her parents' prejudices: 85 per cent have had sex with their fiancés before the wedding; 98 per cent plan to continue working after marriage and less than one per cent would discuss a marital problem with mother (let alone go home to her.)

Yet in one single respect, the brides questioned in the 1982 survey for *Brides and Setting up Home* (published on Thursday) are totally traditional. They are almost all (92.8 per cent) getting married in white and spending a small fortune (£50-£250) on a dress that they will never wear again (nearly 90 per cent don't think of their dress as a special tissue paper after the big day).

The survival of the wedding dress, when all other attitudes (including the virginity it is supposed to represent) have been swept away, seems to me to be a subject for sociologists rather

than fashion editors. Like the brides themselves it is veiled (75 per cent still wear them) in mystery.

■ 1950s fashion—all pointed bras and paper nylon petticoats—has been brought into the orbit of television with the BBC's dramatization of Iris Murdoch's *The Bell*.

The 1950s has been a fruitful source of fashion inspiration for the pop world young for the past four years and the original looks have been recreated (slightly inaccurately) for big screen films like *Grease*. The *Last Picture Show* and Warren Beatty's *Reds*.

This is the first time that I can remember television throwing all the weight of its painstaking period research into this post war epoch. Perhaps it will follow the cult period of Edwardians, 1930s and 1940s.

But even the aficionados of 1950s drapes or stiletto heeled winklepickers, must have been aghast at the sight of the all-encasing 1950s foundation garments. Queen Victoria's bloomers may have become collectors' items, silk camisoles and cotton petticoats may now be exposed to view. But I doubt if there is any danger of the tights generation

swapping their corsets or denim jeans for a roll-on.

■ My last word on sunshine fashion is a warning note. Although I find it difficult to sympathize with the skin problems of a girl friend who has just scorched herself on a three-week holiday in India, adequate protection is essential for the drastic climatic change from European winter to the equator's sunshine. Ultraviolet has just launched a Scientific Sun Control system with a wide range of products for different skin types from the sensitive to the swarthy. Delicate spots like ear lobes (useful for skiers) or breasts (for topless tans) have the specialized products, which include an anti-wrinkle cream for the face and neck.

■ Another disaster area this winter seems to be hair, which has been alternately uncured by freezing fog or squashed by woolly hats.

A salon treatment is probably the best reviver for hair that has suffered (like the rest of you) from a dose of flu. But a pick-up treatment at home can be tried with Molton Brown's products. They also have a hair care clinic at 58 South Molton Street (£6.25 plus VAT for ½ hour session).

Law Report January 19 1982 Chancery Division

Oil not included in 'minerals' in 1880 conveyance

Earl of Lonsdale v Attorney General
Before Mr Justice Slade

(Judgment delivered January 15)

His Lordship held that the phrase "mines and minerals" was an indefinite term with many different meanings in different contexts; that there was no rule of construction which required that it should be construed as including oil or natural gas, and that there was no clear evidence that the phrase included oil or natural gas in the vernacular of the mining world, landowners and commercial men in 1880 or 1935, and accordingly that a conveyance of 1880 and a deed of exchange of 1935 did not operate to vest rights to oil and natural gas under a portion of the Irish Sea in predecessors of the Earl of Lonsdale. His Lordship so held in a Chancery Division action brought by James Hugh William, seventh Earl of Lonsdale.

Mr Donald Ratten, QC and Mr Roger Horne for Lord Lonsdale; Mr Leonard Bromley, QC and Mr John Mummery for the Crown.

MR JUSTICE SLADE said that the Earl of Lonsdale sought against the Attorney General a declaration that the ownership of any oil and natural gas under certain areas of the sea-bed off the Cumbrian coast, and referred to as the "Lonsdale off-shore areas," "down to the bottom of the coal measures" in and under such areas was vested in him as tenant for life under a family settlement dated October 5, 1936.

No declaration was now sought against Ultramar Exploration Ltd.

The action raised questions of construction of four documents, namely, a lease of 1860, articles of agreement of 1880, a conveyance of 1880 (executed in pursuance of an option to purchase) and a deed of exchange of 1935, affecting strips of the sea-bed used or intended to be used as barriers.

The principal question was as to the proper interpretation to be given to certain words in the conveyance of 1880, whereby the Crown conveyed to the second Earl, Lord Lonsdale's predecessor, its interest in certain specified mineral substances, to wit "Coal culm ironstone and fireclay," lying under the Lonsdale off-shore areas, and also "all other mines and minerals, if any, down to the bottom of the coal measures in and under the same tracts of land."

It was common ground that by January 1935 the "mines and minerals, if any," conveyed by the 1880 conveyance had become vested in the Lowther Estates Ltd (the Lowther company) in fee simple subject to certain incumbrances. The 1935 deed of exchange effected an exchange of strips of land.

For Lord Lonsdale it was contended that "mines and minerals" as used in the 1880 conveyance included oil and natural gas.

For the Attorney General it was pleaded: "Oil and natural gas are by their nature a fluid and gas which respectively flow or permeate and are not mined."

The relevant "factual matrix" to be considered, included the facts that the fourth Earl was the owner of adjacent land; that natural gas and oil, like coal, were hydrocarbon substances occurring naturally in the interiors of the underground rocks through which they could move horizontally and vertically. Although some gases contained nitrogen or helium, natural gas was ordinarily composed of the hydrocarbon known as methane or fireclay. The National Encyclopedia of 1881 described fireclay as "a white, terrible scourge of our coal mines."

By 1880 it was known that the bituminous substance known as "petroleum" had considerable potentialities for commercial use. Mr Ratten, for Lord Lonsdale, emphasized that the mere fact that the parties to the articles and conveyance of 1880 might not have specifically directed their minds to oil and natural gas would not necessarily have prevented those items from passing to the grantees. If the words "all other mines and

minerals, if any" on their true construction were apt to include oil and natural gas, those items would have passed, even though the parties might not have thought of them at all. The Crown, it was said, had not proved any special vernacular meaning in 1880, or a special context sufficient to cut down the wide meaning normally given to "minerals".

Mr Bromley, for the Crown, submitted that it would be wrong to treat "minerals" as having any primary ordinary meaning at all. The court had to ascertain its meaning as used in its context in 1880 between businessmen dealing with commercial transactions. No one fell on the Crown to show that the word did not include oil and natural gas. The word in its context meant those solid substances dug out of the earth by underground working. Any ambiguity should be construed in the Crown's favour.

After a lengthy examination of dictionary definitions and decided cases, his Lordship concluded as follows:

(1) That although the wide sense given to the phrase "mines and minerals" in *Midland Railway Co v Checkley* (1867) 4 Eq 19 (so as to include "stone", and *Heat v Oil* (1872) 4 Ch App 699) (so as to include "china clay") was one which could be attributed to it in a proper

context, it could not now be regarded as having a primary or literal sense which was always to be applied in the absence of a sufficiently clear contrary context; see *North British Railway Co v Budhill Coal and Sandstone Co* (1910) AC 126 and *Waring v Foden* (1952) 1 Ch 276.

(2) The phrase was capable of bearing a wide variety of meanings including "all such substances as are dug out of the earth by means of mine"; see *Durville v Roper* (1855) 3 Drew 294.

(3) Unless its meaning was clear from the instrument itself, the court's first duty was to ascertain what the phrase meant in the vernacular of the mining world, the commercial world and landowners at the time of the grant.

(4) The vernacular sense could be derived either from direct evidence or by inference; see *Barnard v Farnham* (1912) AC 364.

(5) Where a particular vernacular meaning as at the date of grant was established, the court would be predisposed to adopt that meaning. The vernacular test was not however a rigid test to be applied without regard to the other terms of the instrument and the circumstances in which it was used; see *Michael Borge v Canadian Pacific*, per Lord Porter at page 223.

(6) Pointers to the parties' intentions might be (i) whether or not the substance in question was exceptional in use value or character, (ii) what was the

dug from the surface, which would have been inconsistent with the express provisions of the 1880 articles and conveyance.

The reasonable inference was that the only substances to be extracted would be solid ones.

(3) The words "veins seams" and "boundaries" in relation to the strips of land used as barriers were inappropriate to oil or natural gas. Those points, at the very least, established that the phrase "mines and minerals," which had no definite meaning, was ambiguous and must be construed in favour of the Crown.

It was therefore strictly unnecessary to consider the other issues, but his Lordship proceeded to hold that the phrase "down to the bottom of the coal measures" meant to the bottom of the lowest identifiable seam of coal that might be worth mining.

His Lordship further held that the words "Great Britain," as used in the Petroleum (Production) Act 1934 and the Continental Shelf Act 1964, in a geographical sense did not extend so as to include territorial waters, and accordingly he reached the abiter conclusions that if any rights to oil or natural gas had passed to Lord Lonsdale's predecessors, they had become vested in the Crown, so far as they related to areas outside territorial waters by virtue of the Continental Shelf Act 1964, but that in respect of any areas inside the territorial waters they did not vest in the Crown by virtue of the Petroleum (Production) Act 1934.

Solicitors: Dickinson Dees, Newcastle upon Tyne; Treasury Solicitor.

Billingsgate

Legend says it was the Gate of Belinus, John Stow that it was the wharf of Mr Biling, to Saxon customs men it was Blynegate. Today the great market which bears its ancient name — it handles 200 tonnes of fish a day, employs 500 people and opens six days a week — shifts down-river from the City, to reberth three miles away, on the Isle of Dogs. Report by Patrick O'Leary.

The Market's £11m new quarters, overlooking West India Dock, began life as Shed 36, a low profile warehouse nearly 700ft long with a walkway jutting over the water. Built in 1915, it was an early example of reinforced concrete construction. This has been upgraded to modern standards, and on to it has been grafted the extra accommodation required for a market designed to meet the needs of at least the next 60 years.

This includes the hall, where 90 or more merchants display samples of what they have to sell to fishmongers and other buyers. Above, another floor has been added for offices occupied by traders and market administrators. Locker rooms and showers for porters and drivers are also at this level.

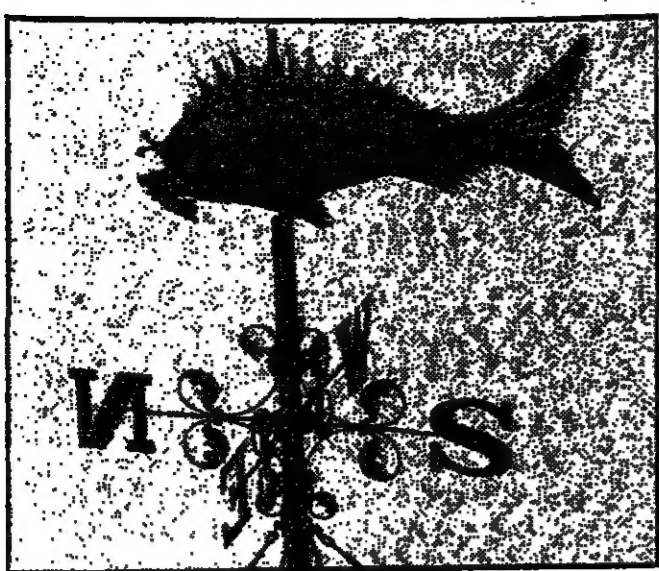
On the ground floor another addition is a cold store with 1,167 tons capacity. Individual merchants can also rent chill room chambers. These are well insulated from the adjoining boiling vats for crab and other shellfish.

Outside, cantilevered canopies protect off-loading bays from the weather. Inside, out, where the finish is in red brick, the marriage between old and new structures presents a sleek, functional look in which the joins do not show.

Altogether, with a separate vehicle service station, parking space for more than 600, from articulated lorries to workers' cars, and access roads, Billingsgate covers about 13 acres.

British love of compromise is apparent in the new premises, acknowledgment we are moving inevitably towards the twenty-first century coupled with a determination to behave as far as possible as if we had yet to leave the nineteenth. At the wish of the market hall and the layout of the market hall and the placing of offices above reproduce the surroundings they have known all their working lives.

The same bell is to be tolled by hand at 5.30 to signal the start of trading. On the roof are replicas of the gilded weather vanes and dolphins on the building in Lower Thames Street; inside



One of two glass fibre weather-vanes on top of the new building. They are replicas of bronze casts surmounting the former market.

is a replica clock, with modern mechanism. It was proposed the familiar figure of Britannia over the original portal should also be reproduced to decorate the steel canopied entrance on the approach road to the new market. But this has been replaced by the arms of the bodies most closely involved, the City of London, the local Borough of Tower Hamlets, and the Worshipful Company of Fishmongers.

Telephone at hand

Nostalgia is not allowed to interfere with business. British Telecom was surprised at the level of services required by the enlarged Shed 36. Although market activity dies down by mid-morning, merchants are then busy in their offices checking on the quality and quantity of supplies they can expect the following day, and arranging disposal of stocks still on their hands. On the trading floor, every salesman has a telephone at hand.

Buying and selling follow the pattern founded on years of experience. But whereas in the old cramped quarters fish was left on lorries until customers, having approved samples, loaded it on to their

own transport, there is now room for it to be offloaded under cover to await collection. This should mean quicker turnround of heavy vehicles.

Forklift trucks have been provided for use in the cold store, but porters will still use trolleys, although with quieter tyres than the iron-shod ones that City gents on their way to work had to dodge on cobbled streets.

It was not the protests of pedestrians that drove Billingsgate out of the Square Mile, but the increasing difficulties of working in a building more than a century old, with a basement cold store served by ancient lifts. Outside, conditions were even worse, with a lorry park unable to take many of the waiting vehicles, and consequent congestion in Lower Thames Street.

The need to "do something about Billingsgate", has been realized for many years. It would not be surprising if the archaeologists now moving on to the site uncovered a Roman tablet with a petition for the removal of rude and smelly fishermen.

At one time it was suggested the market might take over Smithfield. There were proposals to redevelop Billingsgate itself, but it would have meant changes in practices which were unacceptable to traders.

Finally it was the London Fish Merchants Association which found the site in moribund Docklands, and asked architect Mr Stephen W. Greenbury, of Newman Levinson and Partners, to design a market which would still be recognizable as Billingsgate. Attempts to raise finance to build it themselves failed, so the traders remain what they have always been, tenants of the Corporation of the City of London.

But whereas hitherto they have been weekly tenants, now they can have the security of agreements running for up to three years, if they wish. Rents are nominal, but traders have to meet the full cost of services. This is likely to be high, since they are paying for cleaning, lighting and provision of parking space, in the City where many vehicles stood in the streets, much of this expense was borne by ratepayers.

Rates in Tower Hamlets will also be higher than those to which they are accustomed. Tenants have agreed to contribute to a sinking fund to meet the cost of replacing market buildings if necessary in 60 years' time.

Total cost of the new market is expected to be £11m. Construction, in 81 weeks under main contractor Fairclough Building (Southern), accounts for more than £9m. Work is said to have gone without a strike or any more than the minor delays to be expected in a multi-million pound development, such as the failure of a sub-contractor and the discovery of uncharted cellars.

Footings the bill in varying proportions are the City Corporation, Tower Hamlets Council, and the Government, the latter's share coming from funds provided for the regeneration of decayed inner city areas. The City hopes to cover all its costs by selling the old Billingsgate site.

If this shows a profit, after allowing for debts on the original market, the City has agreed to allot some of this to repay money taken out of the Government grant to the Docklands area. It remains to be seen who will benefit most from this complicated piece of monetarism.

The land was acquired by Tower Hamlets taking a lease of 999 years from the Port of London Authority at a peppercorn rent, and then submitting to the Corporation. So in spite of its location, Billingsgate remains a City market, although it required an Act of Parliament to effect the move. Moreover, the fish is still subject to inspection by officials of the Fishmongers' Company.

Nevertheless the whole project reflects basically what its users said they wanted, as the collective

wisdom of a consultative committee which includes representatives from the London Fish Merchants Association, the Transport and the London Fish and Poultry Retailers Association.

Tower Hamlets Council has also been involved, in addition to its financial stake, since the opening of Billingsgate is expected to lead to further developments at the almost empty docks in the Isle of Dogs, part of London's East End. Perhaps the most intriguing proposal is that some should be cleaned out and turned into fish farms.

During the transformation of the Shed 36 site, London Docklands Development Corporation has risen from the Westminster foam. It is armed with wide powers and with public money to generate employment over long stretches of the Thames.

Much of the dock area in the Isle of Dogs has been designated an Enterprise Zone, which means industry moving in will enjoy financial and planning benefits. But the boundary excludes Billingsgate.

One service the new market lacks, in common with the 13,000 people who live on the Isle, is a rail link. Since the shelving of plans to extend the Jubilee Line into Dockland, imaginative plans have been put forward for trams and other forms of surface railway to join existing lines.

Mr David Butler, superintendent of Billingsgate Market, is looking forward to when he expects to be an interesting 12 months. He said: "I see it as a great opportunity for the traders. It is up to the individuals to make the most of it."

The response from firms seeking premises had been encouraging. Mr Butler said, and space in the market hall itself was oversubscribed. However, the owners of one or two small concerns had decided to retire, or amalgamate.

Fish farm proposal

Mr Don Tyler, chairman of the London Fish Merchants Association, was one of the group of members who found the new site. The main attraction was the space available, and it was favourably placed geographically, he said. Most lorries delivering to the market came in from the east, early in the morning. He expected the bulk of the fish to be shifted by 8.30am and hoped it would not be necessary to start before the present 5.30am opening.

Mr Tyler commented: "Merchants and buyers are very optimistic about the new market. Everyone should be able to do his job more efficiently. We have been so cramped for space, it has been difficult to encourage new buyers." When the move was first proposed most merchants were apprehensive, but they had come to realize that survival depended on leaving the old market.

"Billingsgate's present turnover of 200 tonnes a day is a far cry from the 262,000 tonnes a year handled in 1930. But much of the trade today bypasses the market, going direct to big customers. Also, in former days, all the fish arrived at the market complete with heads and entrails, which had to be thrown away."

Consumption of fish and fish products at home has been rising in recent years after nearly a decade of decline. This was accompanied by a fall in the number of independent fishmongers. The trade has been digressing a report inspired by the Ministry of Agriculture, Fisheries and Food which suggested more aggressive marketing.

Mr John Masters, a past-president of the London Fish and Poultry Retailers Association, said traders welcome the report, especially if it led to higher consumption.

Of the new market, members felt this must be a move for the better, although older buyers would miss some of the atmosphere and comradeship of the old one, he said. Their only reservation was concern for West London buyers whose vans might run into heavy traffic through the City on their return journey.

"But we are hoping with the new facilities the fish will be loaded quicker," Mr Masters said. "In theory buying time should be speeded up by half an hour. But only if the fish arrives at the market on time during the night. With weather as it has been this winter, the stuff from the north could be late."

Many porters and other market workers live in the East End, and so are closer to their work than before. But one unlucky employee has a problem. He is that rarity, a resident in the Square Mile; and he does not own a car because of the difficulty of parking in that exclusive area.



If you want to get ahead... Mr Manny Abrahams, a porter at Billingsgate for over fifty years, carries a tray of goods across the snow-covered lorry park of the new market. His leather headwear, traditionally known as a bobbing hat, was first worn by his father in 1895.

Frozen asset saved for the City

Departure of the fish trade from Lower Thames Street creates a prime development site in the City. Many buildings round Billingsgate, some of which formerly housed small offices and shops of firms associated with the trade, have already been replaced by the towering offices of banks and other institutions.

That would almost certainly have been the fate of the Market Hall, designed by Sir Horace Jones in the 1870s. It is not as handsome as Smithfield Market, or Holborn Viaduct, other works with which this architect and surveyor to the Corporation of London is identified, but in 1980 Mr Heseltine, Secretary of State for the Environment, listed it as a building of historic interest.

Although this preserves more than half the 1½ acre

site, the riverside lorry park beside the market could accommodate an office block. The hall itself can be adapted to other uses, but there is one obstacle to rapid redevelopment. Its foundations stand on ground frozen for the past 50 years by the breakdown of the insulation of the basement cold store.

Defrosting this area, as well as eliminating the smell, will present some problems, particularly as there have been suggestions the market might provide a home for the London Commodity Exchange, the central market for sugar, coffee, cocoa, pepper, and other products.

When the City Corporation put Billingsgate up for sale, 17 bids were received. These were reduced to four, and later this month the Court of Common Council is expected to name the chosen bidders.

According to a report in the *Financial Times* the Court will have before it a recommendation to accept a joint bid from S. and W. Beristford, international commodity traders, and London and Edinburgh Investment Trust, a private property developer. Whatever the decision, work on a new office building cannot start before the end of this year, as the site will first be the scene of an emergency archaeological dig.

The listing of Billingsgate Market owed a good deal to a campaign mounted by the Save Britain's Heritage society. In consultation with professional advisers, the society put forward proposals to convert the old market into shopping and restaurant complex comparable to the schemes at Covent Garden, and Boston, Massachusetts.

It argued that such a redevelopment was not only desirable but viable, since "those who work in the City suffer from a dearth of places to eat, and lunchtime shopping is severely limited. The result is it is increasingly difficult to get secretarial help in the City."

The Save submission also suggested the need for an alighting and picking-up point for tourists visiting the Monument to the Fire of London nearby. But it seems likely the only concession to these views will be provision of restaurants at the back of the market, with a riverside walkway.

Plans will require the approval of the Greater London Council and the Department of the Environment, as well as that of the City Corporation.

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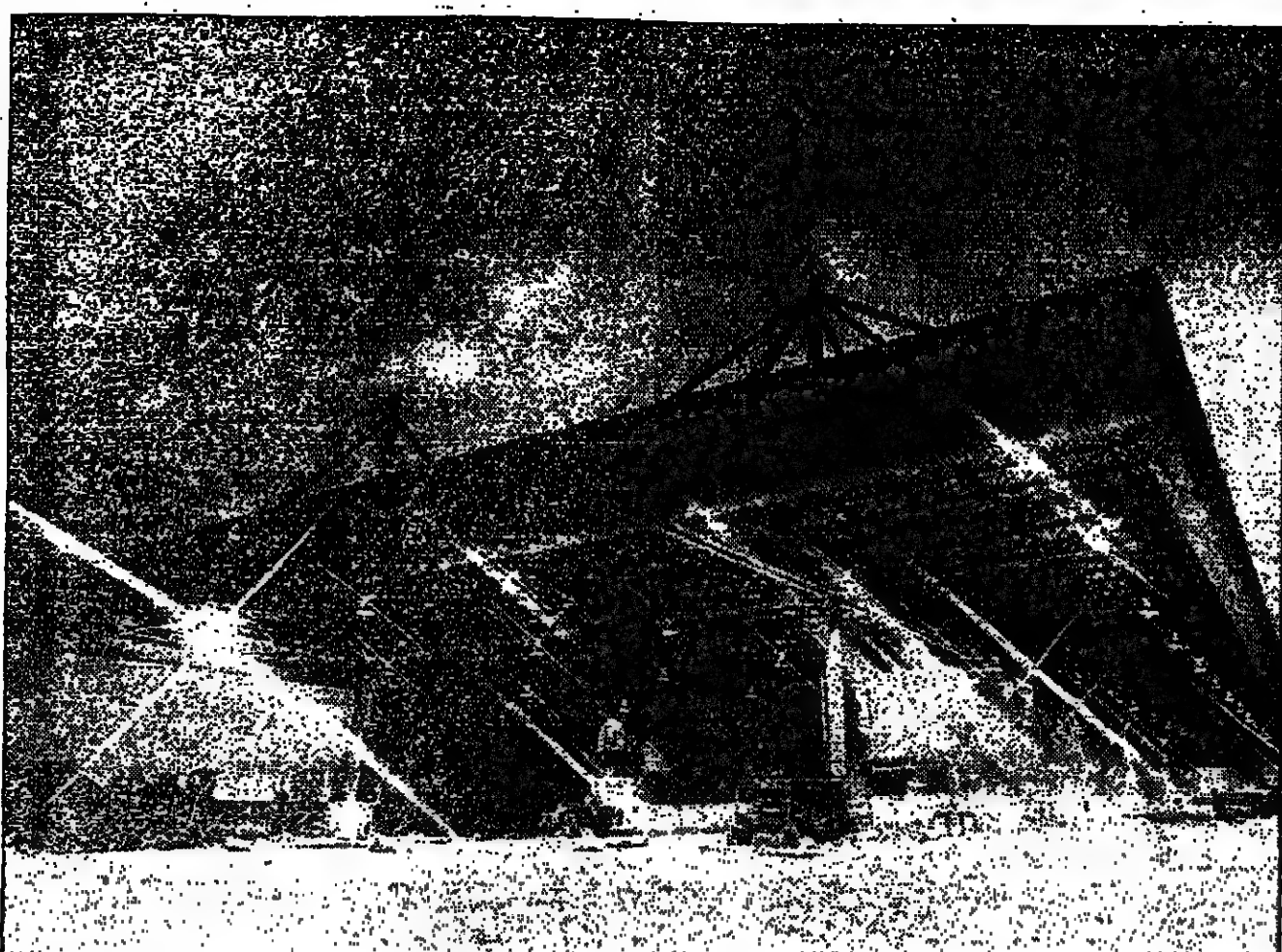
In our drive to attract new industry, investment and development to Tower Hamlets, Billingsgate Market is certainly one of our bigger catches. We've landed quite a few other whoppers too — News International, National Westminster, Tesco, Asda — to name a few. But it's not just the big fish we're interested in, for small companies have the habit of growing bigger.

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LONDON BOROUGH OF TOWER HAMLETS

Billingsgate



Last chance to lighten Dark Age

Billingsgate lorry park beside the river in Lower Thames Street does not look as if it contained the stuff of which history is made. Yet archaeologists believe that beneath its surface lies evidence that gives them their best and perhaps their last chance of throwing light on the dark age that followed the Roman retreat from London.

Armed with a computer, several hundred thousand pounds and a large plastic canopy tent to keep out the weather they are ready to sift through many tons of soil. What they seek, remains of an early Saxon port, probably rests some 15ft below the surface.

Billingsgate Market itself is of little interest to the diggers. When the Victorian hall was built in the 1870s the basement and foundations displaced whatever signs there were of earlier occupation.

But Roman relics have already been traced in the area. A timber wall from that period once ran roughly along the line of modern Lower Thames Street, and

there is a legend that Billingsgate took its name from a pre-Roman prince named Belinus. The Romans left about 410 and although London was known to be a thriving port about 700, the years between, and many of those after, are shadowy.

When the site of New Fresh Wharf, next door to the lorry park, was redeveloped between 1974 and 1978, archaeologists found the timbers of a Roman quay. But what excited them even more was uncovering the ends of two Saxon embankments which clearly ran east beneath the park.

"This gave us a keyhole glimpse of what we might find there", Mr Brian Hobley, chief urban archaeologist at the Museum of London, said. He and his team have been given a year of the lorry park before it is built over, although he hopes this period will be extended.

They have been promised £220,000 from government funds, and £150,000 from the Corporation of the City of London, but Mr Hobley believes "essential work on

Billingsgate needs two years and £1m". He hopes to receive donations from banks (several have moved into new office blocks in the area), and other City institutions, and from the United States.

"This is a maximum archaeological rescue operation", he said. "The objective is to understand what was happening after the end of the official Roman occupation. There must have been a gradual collapse of the Roman way of urban trade."

"In the seventh and eighth centuries Billingsgate played an important role in Saxon life. The quality of the material we find could lead to understanding the rebirth of London."

"What happened to the population when the Romans left? Was it a ghost town or did the Saxons live in towns but not in the urban manner?"

He added: "Once the city began to trade again urban functions were renewed. We need dating evidence as to how early that was. If we were to lose this site we would be hard pressed to find another source of such information for another 50 years."

The finds are unlikely, in the main, to be dramatic in layman's terms. What the sharp-eyed team hope to uncover are such mundane articles as seeds, fragments of leather, bones, discarded pottery, tree branches, loose coins, perhaps planks from Saxon and even Roman boats.

The waterlogged state of the ground close to the Thames should have preserved artifacts which would disintegrate in drier soil. Since medieval London Bridge was closer to Billingsgate than the present one, the site should be rich in the kind of bric-a-brac and even valuables that travellers shed as they hurry along.

The quantity of these articles, the depth below the surface at which they are found, and any evidence of the town or country from which they originated are the clues which may be important in scientific investigation. It is here that the computer, which has been allocated specifically for the Billingsgate search, will do irreplaceable work.

Mr Hobley said: "We need information control to record every detail in the ground and the context of each find."

This could have a strategic influence on the operation day by day in the light of the data.

There are about 100 archaeologists at work in the City, 60 of them on the staff of the museum, the rest on short-term contracts. It is hoped those deployed at the lorry park will be helped with the manual work by a group recruited from the Manpower Services Commission.

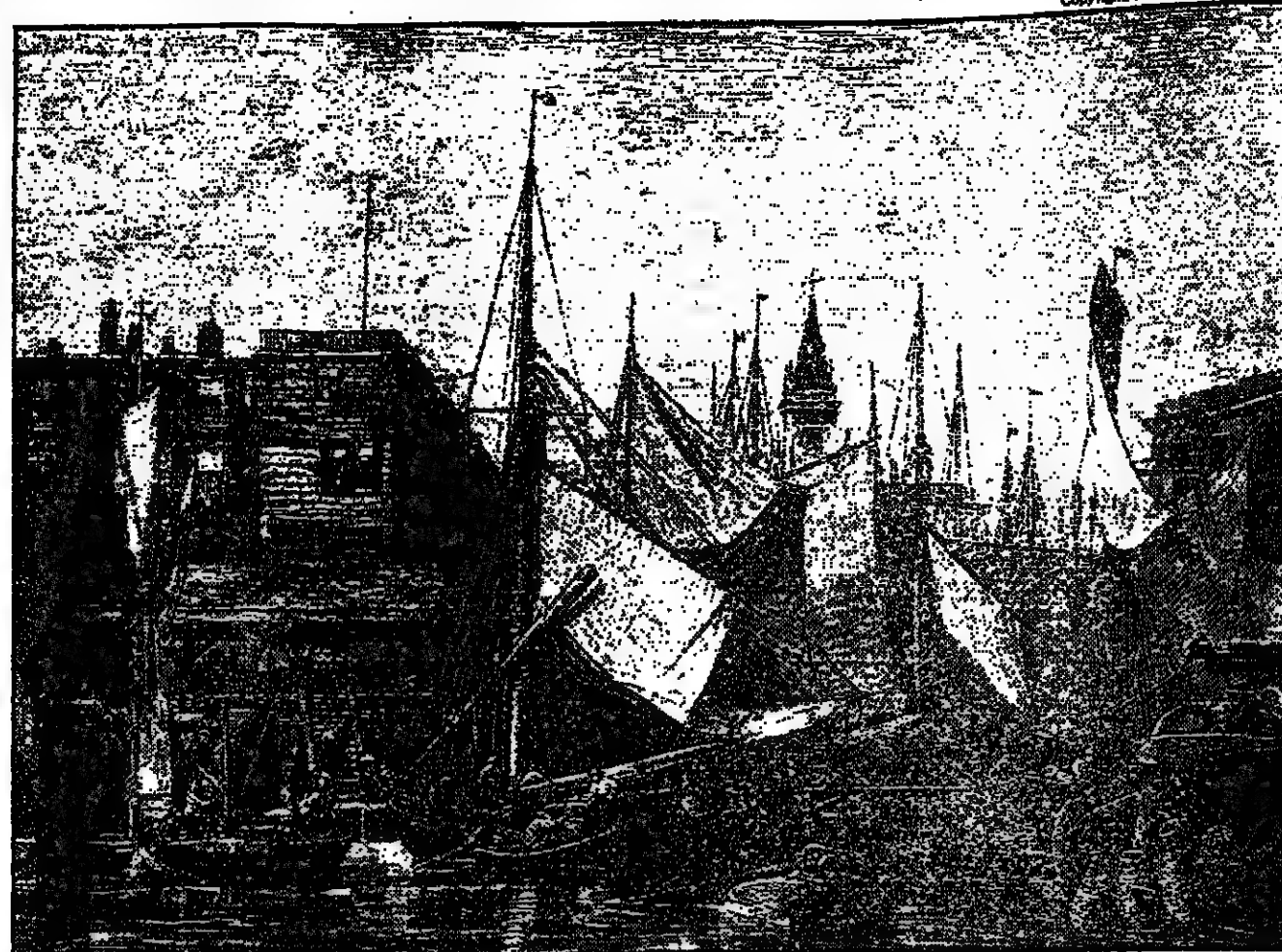
So confident is the museum of making important discoveries that there are plans for a viewing gallery open to the public. Digging up objects is only part of the story for the experts concerned. When they have been removed to the museum, their study and the publication of the conclusions drawn from them, could continue into the early years of the next century.

It will be interesting to see whether any artifacts will relate to an earlier find nearby. In 1825, when the foundations were being dug for the Georgian London Bridge, it is recorded that dredging brought up a Roman silver effigy of Harpocrates, the god of silence; not a deity normally associated with Billingsgate.

Historical interest in this part of London is not confined to peering into the first seven centuries. In the north-west corner of the lorry park are the foundations of medieval St Botolph's Church. It is possible that below these lie the remains of an earlier church. Botolph was an Anglo-Saxon saint after whom no less than three City churches are named.

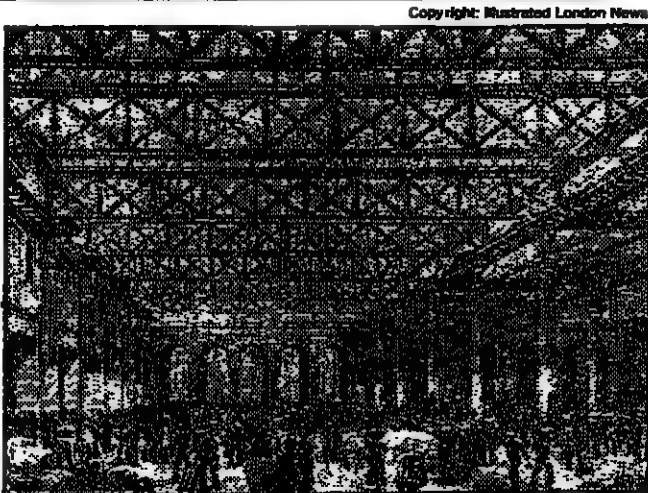
Old Billingsgate market was in the part of St Mary at Hill, in Lower Lane, a church which has absorbed several parishes, including St Botolph's down the years. In October St Mary's holds a Fish Harvest Festival, when fish are brought into the restorable, decorated by members of the trade, and later given to Church Army old people's homes.

The reactor, Dr B. A. C. Kirk-Duncan, hopes the association with the market will continue, in spite of its move. There is a special Billingsgate Market Prayer, which contains a reminder that Christ "didst prepare for fish for disciples that toiled the whole night long".



Transformations by the Thames

Above, far left: night view of the new building under snow, showing the massive cantilevered canopy, space-framed and constructed in ochre-yellow plasticated steel. It protects the main entrance to the market. Above and left: two views of the market about 150 years ago. A new river wall, in line with the Custom House, was constructed in 1848. Below, left: interior of the former market, designed by Sir Horace Jones and opened in July 1877; it has been listed as a building of historic interest, largely as a result of a campaign by the Save Britain's Heritage society. Below, right: artist's impression of the new market hall, designed by Newman Levinson and Partners.

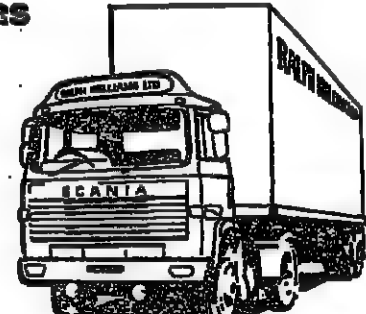


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Metering a tradition

Few people in the trade now belong to the Fishmongers Company, one of the City's oldest guilds, although that well-known angler, the Prince of Wales is a freeman, by right of patrimony. His father is a past Prime Minister.

Mr Gerald R. Watkin, chief inspector, has two assistants, known as fishmongers. The origin of this title is uncertain, but is thought to date from the days when they were responsible for enforcing the law on weights and measures as well.

Their powers are formidable: recently a consignment of fish from Africa had to be destroyed, representing a loss of £50,000 to £60,000. But it is unusual for the inspectors as they walk through the market to have to condemn products on sale.

"There has been an improvement in the quality of fish in the last 25 years", Mr Watkin said. "On the whole the trade do the inspecting for us. We have a good relationship with traders, and rarely seize fish off the stands."

Fishmongers Hall stands close to London Bridge, just a short walk from the old market. The fishmongers will now be based at the Isle of Dogs, but Mr Watkin will divide his time between the new market and his office in the hall.

The work requires a good deal more than a good nose. A few years ago they were able to trace a form of mild poisoning to smoked mackerel. "In a couple of weeks we had organized a meeting with ministry experts", Mr Watkin said, "and in two months a code of practice had been formulated."

"We alerted the fishermen and the processors, and for the last two seasons there have been no cases of this poisoning. We act as a catalyst, and sometimes also as a buffer between the trade and Government."

A set of rules has also been produced to guarantee that oysters are free of harmful bacteria. The company's role is now seen principally as trying to help traders, and to advise environmental health officers, rather than to act as a policeman. In the past the Fishmongers had their own court, which could impose fines or put traders in the stocks.

In those days members of the company often owned estates along the Thames and the River Lea. Much of the fish sold, including salmon, was caught in the Thames, and any that was unsold thrown back into the river.

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Nicholas Ashford on 'a remarkable freshman year' in the White House

365 Reagan days — now the real test begins

All in all 1981 proved to be a remarkable freshman year for President Reagan. Even Mr Reagan's critics (and their numbers are growing daily), who are strongly opposed to his supply side economic policies and bitterly resent his cuts in social programmes, concede that the year was one of the most extraordinary demonstrations of presidential leadership in modern American political history.

Political observers, seeking parallels, have compared Reagan's first year in office with that of Presidents Wilson, the two Roosevelts or, more recently, Lyndon Johnson. Professor Jeff Fiesel, author of the forthcoming book entitled *Presidents and Promises* even went as far as to say that the President's performance had been "virtually unparalleled in the modern presidency". Certainly the achievements of the Reagan Administration to date have been many and contrast sharply with the fudged first year of the Carter Administration. The President has achieved the largest tax cut in American history. There has been a dramatic slowdown in the growth of federal spending and the elimination or reduction of many social programmes. A major effort has been made to reduce the regulatory state.

All this adds up to what Administration officials like to term the start of the "Reagan revolution" which looks like having as radical an impact on American society as President Roosevelt's "New Deal" during the 1930s. The President came to power with a mandate for change, and change there certainly has been.

Less spectacularly, but of no less significance, has been the reassertion of executive power by the Reagan White House. Congress has no longer been able continuously to thwart the will of the President as it did during the Carter era. Reagan's spectacular victories on the budget and on the AWACS surveillance aircraft to Saudi Arabia into a stunning personal victory.

Of course, there have been failures too. The President received a bloody nose on social security. He was snubbed over his nomination, Ernest LeFever, for the

the President has attempted to redefine the relationship between Washington, the state capitals and the city halls.

The President's determination to build up the country's defences, to "close the window of vulnerability" with the Soviet Union, has given the country a new sense of strength and self-confidence. The shooting down of two Libyan fighters last August — insignificant though the incident was in military terms — proved an important morale-booster for many Americans who were still wincing over President Carter's botched attempt to rescue the American hostages from Iran.

'The President retains one important card up his sleeve, his own personal prestige'

The administration's handling of foreign affairs was less successful — particularly during the early months — but not without its achievements. The President's firm stand over Poland has now won wide support within the United States, even though reaction in Europe has been more mixed. He has stood up to the Russians as he promised to during his election campaign, but his embarking on the "zero option" in the Geneva missile talks has enabled him to shake off the image of a "cowboy president", hell bent on a shoot-out with the Russians and he managed to turn the near-fiasco of the sale of AWACS surveillance aircraft to Saudi Arabia into a stunning personal victory.

Of course, there have been failures too. The President received a bloody nose on social security. He was snubbed over his nomination, Ernest LeFever, for the

human rights post at the State Department. The David Stockman affair was a serious embarrassment. And on a number of other issues — clean air, voting rights, conscription — he was forced to amend positions which he had adopted during the 1980 election campaign. But the early positive image established by the President tended to overshadow these setbacks.

The question which is now being asked on the eve of the first anniversary of the President's inauguration is — will Reagan be able to maintain during 1982 the momentum which his Administration established during his first year in office?

The almost unanimous answer, from friend and foe alike, is "no". "The magic has faded", "the point is beginning to peel" are some of the phrases being used to describe the Administration as President Reagan prepares to make his State of the Union address, on January 26. Even his closest advisers concede the going will be much tougher in 1982.

This year, unlike 1981, when the White House's own end-of-year review awarded the Administration an "A" or "A plus" for its performance in most sectors of government, there will be a genuinely independent test of the Administration's performance in most sectors of government, including the mid-term elections in November. All 435 members of the House of Representatives and 33 of the 100 members of the Senate will be up for reelection.

Many Congressmen, aware that self-preservation is the first law of politics, are beginning seriously to consider the effect of the Reagan Administration's policies on their own election prospects. Those who enabled the President to build his economic recovery programme through Congress are beginning to wonder how the voters will react to the hoped-for recovery is still lurking somewhere beyond the horizon.

At the onset of the Reagan Administration, Republican

leaders were confidently predicting that their party would be able to gain a majority in the House of Representatives in this year's elections, thereby gaining control of both Houses of Congress. Now, however, the party's leaders believe they will be lucky to hold on to those seats in the House which they already possess.

The principal reason for this change in outlook has been the failure of the Administration's radical economic policies to produce the recovery which was confidently being predicted during the 1980 campaign. The President may have won some scintillating personal battles for his economic package, but he is beginning to look in danger of losing the war. It has become just as clear to unemployed car workers in Detroit as to Wall Street Bankers that it will take more than a wave of the President's magic wand to put the economy to rights.

The President's key election pledge — to achieve a balanced budget by 1984 or even earlier — has been abandoned. Instead the Administration is now struggling to find ways of keeping the annual deficit below the \$100,000 mark during the next three years. Like Mrs Thatcher, the President has discovered that cutting public spending is more difficult than it may at first appear.

The only way the President can hope to keep the deficit at a manageable level is either to make further massive spending cuts or else to raise taxes, which the President is anxious to avoid. Neither course of action will help to win voters to his side. He could, of course, reduce defence spending, which is scheduled to rise by 10 per cent next year. But that would mean abandoning another election pledge — to make America strong again — which the President is most unwilling to do even though Congress is bound to step up pressure for defence cuts.

Until now the President has been able to baffle the country's economic woes on the previous Carter Administration. But in the second



President Reagan: still the natural leader

year of his Administration they become his problem. The best he can hope for is that the recession will start to lift this summer in time for a modest recovery to have begun by the November poll takes place.

Concern about the electorate's attitude towards the Government's programme will mean that Congress in 1982 will be very different body to what it was last year.

Liberal Democrats — known as "Gypsy Moths" — are aware that support for additional cuts in Federal spending will cost them votes. Similarly the Conservative Southern Democrats — "Boll Weevils" — who voted for the President's economic programme in 1981, will not be so willing to be seen on the President's side this year.

Mr Bob Michel, Republican Leader in the House, commented recently: "It is going to be more difficult this year. We went through a lot to get a \$4,000 cut from the budget in December, now they are going to ask for another \$30,000 cut this year. That is going to be tough."

This does not mean the President has enjoyed his last Congressional triumph. But from now on it means he will have to get his victories the hard way by protracted guerrilla warfare with Congress, just as his predecessors have had to do in the past. This will test the range of the President's abilities much more than they were last year.

However the President retains one important card up his sleeve, his own personal prestige. The "great communicator", as he has become known because of his mastery of the mass media, is the most popular President since Dwight D. Eisenhower, according to the polls. Although his ratings have started to sag he still manages to portray himself as a natural leader who is at ease with his powers and the burdens of office. And there is not a Democratic leader in sight who can measure up to him.

This year, therefore, is likely to be the real testing ground of the President and what one Congressional leader has described as his "riverboat gamble for the nation". If the economy starts to pick up and the President can contain the budget deficit and at the same time retain his personal popularity, then the Republicans could be well on the way to another major victory in 1984. But if there is no economic recovery and the country is faced with an even larger deficit, then a swing against the Republicans this November could be the harbinger of an even greater switch in voter allegiance in three years' time.

Oil wealth that could turn into fools' gold

When the Government decided to sell the British Gas Corporation's stake in the Wytch Farm oilfield, Mr David Howell, the Energy Secretary, argued that private companies are better at developing Britain's oil resources than nationalized industries. No evidence was produced to support his assertion.

The Opposition pointed out that BP, British Gas's partner in the oilfield, had consistently underestimated its size and had argued against heavy investment. On all the published evidence the private company was wrong and the nationalized Gas Corporation was right. But still Mr Howell insisted that British Gas must sell its stake.

Anything Mr Howell could do, Nigel Lawson could do better. After Wytch Farm the Government now intends to sell the North Sea oilfields owned by British Gas and by The British National Oil Corporation (BNOC). A decade of patient, efficient and profitable public endeavour is sold off. Never mind the facts, remember the dogma.

The sale of North Sea assets is reckoned to raise something in the region of £1,500m, although the Government prefers to refer vaguely to "prevailing market prices at the time of sale". A cut of £1,500m in the public sector borrowing requirement might do a little to restore the Conservatives' sagging morale, but to sell assets which would produce wealth for 20 years is an excessively high price to pay for a few seconds of back bench euphoria.

The sum of £1,500m might be enough to cut the standard rate of income tax by about 1½p in election year, or the Government might set the money against the bill for ten weeks' unemployment benefit. Either way, the next government will have to face the future without the comfortable cushion of publicly owned oil reserves.

Alongside the oil measures is the more insidious attack on the gas industry. The Government has decided to take away from British Gas the right of first refusal to buy gas found on the continental shelf. In future oil companies will be able to sell gas directly to large industrial and commercial concerns.

The Minister justifies this eccentric decision by talking about competition lowering prices. His argument will not bear examination. All the evidence suggests that the conclusion of many industrialists that the Government proposals will rapidly increase the price of gas to industry.

Oil companies have persistently argued that British Gas is paying them too little for the gas which they produce. Last year oil men were talking about the need for a wellhead price of 25p a therm; now the talk is of 30p. If the Gas and Oil Bill goes through Parliament, oil companies will undoubtedly use their newfound discretion to push the wellhead price closer to their target. A wellhead price of 30p a therm means industrial gas selling at between 40p and 50p. Some cynics have even suggested that oil companies will use their new power to push gas prices up to the level of oil prices — a convenient means of protecting their major product.

The Government's own predictions are clearly contradictory. Mr Lawson states confidently that gas prices will not go up, yet he also argues that the Government measures will encourage the oil companies to explore more assiduously for gas. How is this trick to be worked? The oil companies themselves have insisted that they will increase their

exploration efforts only if they get higher prices.

The Government's plans will gravely damage the integrity of Britain's supply system. At present British Gas controls the whole transmission grid. It is responsible for balancing supply and demand. It meets the winter peak of supply by signing interruptible contracts with industrial companies who arrange alternative fuel supplies. If long periods of cold weather or the loss of a sea line puts pressure on the system, the interruptible supplies are cut and the balance is struck so that at all times the domestic consumer is protected.

If the Government has its way, the large industrial market will come to be supplied directly by the companies through the public transmission system. Many people have doubted the feasibility of the proposal. Several industrialists have hinted that they would never trust of supply contracts to an oil company that might rely on only one or two gas fields. British Gas lost the sea line last year, but quickly compensated by increasing supplies from other sources. Even a large oil company would offer no such secure spread of gas resources.

But if, against all the difficulties, the oil companies were able to capture a large part of the industrial market, British Gas's subtle balancing of supply and demand would come to an end. It would be no fun having gas central heating in your house during a cold winter if British Gas were deprived of flexibility of interruptible contracts. Instead of cutting off large customers who have contracted for an alternative supply, British Gas would have to cut off domestic consumers. Mr Lawson should explain the implications of his policy in detail to the 14 million gas customers who stand to lose by his blinkered policy.

Until now the Government has had an easy ride in the Commons on the oil and gas issue. Its timing of effective debate on its proposals. The surprise announcement in October was strong on ideology and short on detail, and was presented to the House through a device which denied immediate and lengthy debate. The convoluted Bill itself was published just before Christmas.

Today's second reading debate and the committee stages of the Bill will be an important test of the Opposition's resolve during the remainder of this parliamentary session. The issue is a matter of considerable public interest. The Government is selling off a major part of Britain's energy wealth. The price will be low, the gain will be short-lived and the disadvantage may persist for two decades. It is time to lead a major campaign to prevent this disastrous Bill becoming law.

David Bassett

The author is general secretary of the General and Municipal Workers Union and chairman of the TUC economic committee.



Herr Egon Klepsch (left) Christian Democrat candidate in today's election for president of the European Parliament at Strasbourg. At right Herr Martin Sangmann whose picture was incorrectly identified yesterday as Herr Klepsch.

The new man who has to sell the Tories

Rightly or wrongly, soap salesmen have a reputation for toughness and zeal: presumably it was the will of their predecessors which gave rise to such pejorative expressions as "Don't give me that soft-soap". Whichever reflects reality more accurately, it was no doubt sensible of the Conservative Party, at this low ebb of its fortunes, to bring in a man trained in that school and to call him forthrightly Director of Marketing.

Such is the title and role of Christopher Lawson, aged 59, whom the party's newish chairman, Cecil Parkinson, has lured from early retirement to Smith Square to help sell Conservative policies and achievements to a sceptical electorate before the next general election in, at the latest, May 1984. Mr Lawson has spent most of his commercial career in marketing, starting with soap and ending up with potato crisps, pretzels and other "junk food" requiring, like his new product perhaps, to be taken with a pinch of salt.

His marketing career owed everything initially to chance. The son of a regular army officer, he had gone straight into the RAF in 1941 from Magdalen College School, Oxford, serving nine years as a regular officer. Deciding his salary there would not

allow him to educate his two sons and daughter similarly, he closed his eyes one morning and picked the job advertisements column of the *Daily Telegraph* with a pin. Destiny guided him to the firm of Thomas Hedley, part of the economy-sized American soap and detergent empire of Procter and Gamble.

"Fate is either with you or against you" he commented philosophically at his office yesterday. At Hedley's he spent nine years going through the gamut of jobs, from salesman and sales manager through marketing to personnel. Then he was "hunted out" to support Mr McDougal and Robertson, now part of the Wellcome Foundation, whose retail side he set up, successfully selling the Aerosol spray — hitherto an expensive gadget — to a mass public. Around 1963 the head-hunters tracked him down again, this time for Mars Inc, again an American firm, though founded in Britain by Mr Forrest Mars (purveyor of the eponymous chocolate wrapped bar — "a marvellous product", Lawson muses. Will he, one wonders, be able to marvel thus at some new Thatcher policy?)

For Mars he became managing director of a company called Vendepac (now Four Square Catering and Vending), then of Mars Foods, and



Christopher Lawson, called from retirement by the Tories ... and a free suggestion from Mel Calman

finally spent almost four years in South Georgia as "super place" setting up Mars's first venture outside confectionery and pet-foods into what he called, not without an overdue frisson, "non-sweet snacks": crisps, pretzels etc, the company being equally memorably called Snackmaster Inc.

Having made a fair amount of money (he is a member of Lloyd's), he decided to retire early to his old home in the Cotswolds, playing a good deal of golf and spending perhaps a day a week at Conservative Central Office. "I had been a political animal most of my life", he explains. "I was a Conservative councillor in Berkhamstead from



... and a free suggestion from Mel Calman

around 1964 to 1970, and was on the Hemel Hempstead constituency executive for a number of years, up to the time I went to the USA. There of course I knew Cecil Parkinson" (Hertfordshire South's MP).

"When I came back last April and did a bit of work here, I wrote a letter for Sir Henry Boyne (treasurer as Director of Communications in March) and for Peter Thorneycroft (then party chairman) on communications and what I thought of them: it wasn't exactly polite, maybe," Parkinson, by then chairman, saw it and said he would not buy again. "But you should package it correctly. Then people are more likely to buy it."

Exuding energy, he was in

A fit-looking man with strong features and an MCC tie contradicting a slight mid-Atlantic twang, he stresses he is no politician. "I'm a communications expert, and that perhaps makes it easier for me to pull out points of policy and say 'These are the things maybe we should be explaining more clearly to the voting public'. Overall, he reckons they must put across more fully what positive steps the Government has taken, what it is currently doing in terms of Bills and policy decisions, and what ideas it has for winning the next election.

As when marketing something more tangible or edible, he sees the need to communicate to the voter/consumer the benefits of the policy/product. "Maybe" (a word of which he is surprisingly fond) "in the past we have kept our brown paper wrappings firmly Sellotaped around the edges, so it has been not only hard to see what it contained but hard to undo it" — not the zippiest metaphor, he admitted, but one saw what he meant. He agreed that an oversold product would produce disappointed purchasers, who would not buy again. "But you should package it correctly. Then people are more likely to buy it."

Exuding energy, he was in

the office at 8am yesterday, reading the 1979 general election manifesto "to satisfy myself that some things were trying to do I could live with. I was pleasantly surprised to find we were sticking very closely to that manifesto document." Convinced the voter that the Government is doing all it can to resolve the problem of unemployment is, he believes, the biggest single task — with inflation and taxation as linked themes. He will be commissioning opinion research in different geographical areas and age groups. "It's easy to waste money in advertising and promotional terms unless one knows the target", he said.

While "fascinated" by current speculation about continued use of the advertising agency Saatchi and Saatchi, he will only say that as a new man in a new job, he is looking at what has gone before. But the Conservatives did win the last election, he pointed out, and advertising presumably played some part in that victory. It was a risky if archetypically commercial sentiment should the Tories lose next time, might not some conclude that vendors of soap and crisps do not necessarily make vendors of policies?

Roger Berthoud

Corruption drama at the Court

It is some time since the Royal Court theatre has made the news, but I rather suspect that is going to change soon. The reason will be the latest play by my good friend Gordon Newman who, you may remember, attracted a great deal of favourable attention with his TV series, *Law and Order*. Effectively, this told the same story from different angles (as in the Criminal's Tale, the Brief's Tale, the Policeman's Tale, and so on), the language, and the corrupt collusion of police and lawyers was, to anyone who knows this world, frighteningly accurate.

Next month, the Court stages Newman's *Operation Bad Apple*. This is allegedly a fictional play but it is in fact based on Operation Countryman, the inquiry into corruption at Scotland Yard. Newman is known for the excellent contacts he has within the police force and, I understand, the information for *Operation Bad Apple* came from a well-placed detective sergeant who had himself been a suspect in the Countryman inquiry. He approached Newman after his success with the *Law and Order* series.

In the play, corruption goes as far up in the Yard as Assistant Commissioner Newman says that, according to his source, this is how high up in

the Yard corruption went at the time of Countryman. Policemen from a rival force (Wiltshire in *Bad Apple* replaces Dorset in *Countryman*) are called in. The investigation runs into the law, however, when the Director of Public Prosecutions thinks, such is the extent of corruption in the Yard, that a full public exposure would be against the public interest — and a Scotland Yard man is brought in to wind down the inquiry: — the Assistant Commissioner "Crime".

Insofar as Newman's play is not so much fiction as loosely-disguised fact, the Court might just have some libel problems on its hands. This won't be helped by the fact that in March, while the play is still running, three officers prosecuted as a result of the Countryman inquiry go on trial at the Old Bailey.

Poe's prescience

Edgar Allan Poe day today, the master being born on January 19 1809. Were he alive now he would not be enjoying the weather insofar as it would have stopped racing and the opportunity for wagers. I always liked the story of a lover robbing his dead girlfriend's body of her teeth to win a wager that necrophilia and dentistry could be put together in a serious story.

THE TIMES DIARY

Poe was also responsible for the most extraordinary coincidence I know. In the 1830s he wrote *The Narrative of Arthur Gordon Pym of Nantucket* in which a ship captures, four

people survive but have to eat one of their number — a boy called Richard Parker. In the 1880s a yawl, the *Mignonette*, set sail from Plymouth but later was shipwrecked in the Atlantic. There were four survivors who chose to eat one of their number — a boy called Richard Parker. Perfect Poe.

Blue Heaven

Latest fad in Washington: the "Depression Soirée". This is a favourite, apparently, of the Democratic Party. Guests are instructed to dress as "Oldies", which means the women wear cotton frocks in "Grapes of Wrath" fashions and the men search their wardrobes for collarless shirts and leave off shaving for a day or two. Food is served from cardboard suitcases and bean dishes made of tin. The food itself of course is still flown in from Zabar's, the fashionable deli on New York's West Side.

String band

The advent of the slip-on shoe was an important civilizing influ-

ence for many people who, like me, are blessed with more thumbs than fingers and cannot tie the knots. (I was heartily glad to see the back of laces.) But I now gather that knots, and the pleasure to be had from tying them, is making a comeback, so much so that a British Association of Knot Tiers is in the offing.

Geoffrey Budworth, a former inspector with the Metropolitan Police, and Des Pavson, a retail manager from Ipswich, are inviting the knot cognoscenti to discuss possibilities on board the Maritime Trust vessel *Discovery* in St Katharine's Dock, East London, on April 17.

"There are people sitting all over the place with this aptitude for knots in their blood and a compulsion to get involved and now come to be known in Britain at least, as *Hunter's Bend*: a man on the Isle of Wight who ties knots inside bottles, and a grandfather from Blackheath who has invented 30 knots over the years.

To date the Knot-scholars invited include: a retired consultant physician, Dr Edward Hunter, who rediscovered a knot that has now come to be known in Britain at least, as *Hunter's Bend*; a man on the Isle of Wight who ties knots inside bottles, and a grandfather from Blackheath who has invented 30 knots over the years.

Altogether, apparently, there are about 4,000 different kinds of

knots which can be broken down into many different families and groups which are capable of an exclusive number of variations. Although knot-tying has played an important part in mankind's history through the ages, nowadays it finds its most practical applications in mountaineering, fishing and sailing.

Slackly I've discovered my wife is having an affair with a plumber...



Struck off

Yesterday was a sad day for medical journalism. Dr Michael O'Donnell, editor of Britain's oldest medical magazine, *World Medicine*, was summarily dismissed from his post.

The magazine, which used to be jointly owned by McGraw-Hill and IPC, has recently become the exclusive property of IPC, and as a result the staff were told that they would be moving down to Sutton, Surrey, to join the other publications of IPC Business Press.

Dr O'Donnell, who must be one of the best known doctors in the country because of his weekly anecdotes on Robert Robinson's *Stop the Week* programme, was summoned to the headmaster's study yesterday. There he was confronted with his own *Clareville Diary*, which appears at the back of his magazine and in which he had said that, with the takeover, the old magazine was effectively dead. The new proprietors were not pleased and when Dr O'Donnell said he was not happy about the terms of his new contract, he was told he could pack his things and leave — that evening.

The good doctor, who has a considerable following among the medical profession, coming streets ahead of all other candidates in the last election for the General Medical Council, the profession's disciplinary body, had one afternoon in which to clear out the detritus of 15 years.

He took over as editor in 1966 only a year after the magazine started, and has stamped his personality firmly on it. He was particularly pained that as the link was being severed, there was no thanks for the success of the magazine, no mention of the profits it had made the company, and not even a goodbye.

He is vague about what he will do next but he does favour "transplanting the soul" of *World Medicine* elsewhere.

Peter Watson

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MITTERRAND REBUFFED

President Mitterrand's government was rebuffed over the weekend by two different groups of people—the voters in four by-elections and the nine members of the Constitutional Council. Neither setback should be exaggerated, but taken together they represent the worst blow the Government has suffered since the Socialists swept all before them in the election last June. The by-election defeats were particularly galling. Three of the seats had been won by Socialists or their sympathizers in June, while the fourth had been won by a Gaullist with a small majority; the candidates of the left could reasonably have hoped to carry all four. But in the event they were all won comfortably by members of the right-wing opposition, and M. Pevrefitte, the former Gaullist Minister of Justice, was returned in Provence with the biggest majority he had ever had.

By-elections are of course only by-elections, and these four seats, all of them in or near Paris, can hardly be regarded as representative of France as a whole. Before last year's election they had always been regarded as right-wing. But the results do show a falling away of support for the Government (in spite of opinion polls indicating that its most prominent members continue to be popular nationally),

and specifically a defection of some of the voters who swung to the Socialists last year. One reason is that the economy has not noticeably picked up; unemployment and inflation remain uncomfortably high. Another is that some Communist voters who moved behind Socialist and other left-wing candidates last year seem to have abstained this time, possibly because of the acrimonious exchanges recently between Socialists and Communists over Poland.

The decision of the Constitutional Council is not going to make it any easier for the government to regain this lost ground. By striking down the provisions for compensation in the nationalization bill, the council has made the cost of the nationalization much higher. It has also, by requiring the government to submit a new bill to the National Assembly, committed it to a new period of parliamentary in-fighting, with the opposition likely to contest every point once again; and it has put off still further the day when the government can put its policies for the newly nationalized sector into practice. The government's hope had been that by now it would be over the hump of the nationalization process. It would have been able to end the period of uncertainty in which the candidates for nationalization have been languishing, and begin using them in an attempt to revitalize the economy. This will now have to wait.

It would have been much worse for the government if the Constitutional Council had ruled against the very principle of nationalization. This was what the opposition had hoped, and it is possible that some of the members of the council, all of them appointed before last year's Socialist victories, were tempted to do so. But it would have been an overtly political act, with unpredictable repercussions. As it is, the council's ruling is compatible with its standing as a judicial institution, and has been accepted as such by the government. The council after all made rulings in favour of the Socialists when they were in the opposition.

For the time being, the government can easily ride out these setbacks. And it can quite legitimately claim more time before it is judged on the results of its economic policies. It is trying to effect radical changes in the French economy, and these cannot be effective overnight, particularly at a time of recession. The by-election results are a warning of what awaits it if in the longer term its policies do not have the results that it hopes for. It would be exposed to desertion by interest groups which switched to the Socialists in the hope that they would be more successful in reviving the economy than M. Giscard d'Estaing; and to attack from the Communists, who joined the government largely for opportunistic reasons.

AN ANTI-SOCIAL TAX

When, in the eighteenth century, the government first introduced stamp duty on the transfer of property, house and land ownership was the prerogative of the few. It was, unashamedly, a tax on the rich, and one which could easily be borne by those on whom it was imposed. As recently as 1974, when the price threshold above which stamp duty became payable was £15,000, only some 16 per cent of all house purchase transactions were liable, and most of them were, for the buyers, not their initial ventures into house buying. The threshold has since gone up to £20,000, but, with the steep rise in prices in the meantime, the proportion of transactions that is now liable to stamp duty has risen to well over a half. What was earlier intended to affect only the upper end of the market is on its way to becoming a tax from which only a small proportion is excluded. Average house

prices are now nearing £25,000. Stamp duty is a particularly important element of the costs of the first-time buyer. Most upwardly mobile house owners have the cushion of a profit when they exchange one property for another. First-time buyers do not.

They are often young, sometimes newly married, with limited savings, who have to find money for a deposit, for furniture and necessary appliances, for legal fees (often too high for the work done), for moving expenses, and now in an increasing number of cases stamp duty. It is difficult to assess exactly how many potential buyers are deterred from taking their first steps into ownership by the costs associated with it, or how many are put off moving from one house to another; but it is clear that there is some deterrence and that the level of stamp duty has a great deal to do with it.

The possibility that in the next budget the Chancellor will again raise the threshold above

which duty is payable is therefore welcome. This government, like its Conservative predecessors, is committed to encouraging home ownership, and to the provision of low-cost housing schemes. Both are adversely affected by the present burden of stamp duty. The tax is also a considerable disincentive to the mobility of labour. The Prime Minister is anxious that people should show more initiative in seeking employment outside their immediate areas. The costs of moving to another part of the country are hardly calculated to stimulate job mobility.

Stamp duty is probably the cheapest form of tax to collect, and the easiest to administer. Its yield is not particularly high—some £285 million last year—but it is easy money. But the government ought not to count on it to succumb to the temptation to continue gathering it at its present rate. The social disadvantages of keeping it where it is far outweigh the financial advantages.

TOWARDS A ONE-PARTY STATE

The honeymoon period in Zimbabwe appears to be over. Mr Robert Mugabe said shortly before Christmas that he may have to replace his policy of reconciliation with harsh punishment of his white opponents. He said some had rejected racial harmony and had been "acting in collusion with South Africa to harm our racial relations, to destroy our unity and to overthrow the popularity" elected government I lead. Ten whites are being held in detention, including Mr Wally Stuttaford, a Member of Parliament of the Republican Front (the former Rhodesian Front of Mr Ian Smith). Other signs of active opposition to Mr Mugabe (though there has been no evidence produced to connect these incidents with whites) came with a bomb that killed seven people at the headquarters of Mr Mugabe's party and an earlier explosion that destroyed a military arsenal at the Inkomo barracks.

On the other side the white disillusionment with a government they at first appeared to respect is shown by the accelerated exodus. The estimated

figure for 1981 is 22,000. A breakdown of the official figures up to October makes depressing reading. They include 42 doctors, 212 engineers, 133 accountants, 241 teachers and 237 nurses.

It is hardly surprising that there should have been a degree of mutual disillusionment. On the one hand Mr Mugabe has never made any secret of the fact that he is a Marxist. Recent decrees drastically raising minimum wages, freezing some basic commodity prices and upper-bracket salaries and banning dismissals without ministerial permission have made life difficult for white entrepreneurs and small businessmen. Plans just announced to introduce black worker-control in some big industries will also increase unease.

On the other hand it has to be remembered that the previous Smith regime was racially based and fought a cruel war to prevent the majority of people in Zimbabwe exercising their rights. Mr Smith once promised that there would never be one-man-one-vote in his lifetime. It would be too much to hope that racialism had died overnight. The continued existence of a white supremacist regime just across the border and the arro-

gant South African raids into neighbouring territories must seriously hinder the cause of racial reconciliation.

Mr Mugabe himself, though mostly restrained and non-racialist in his oratory, is uncompromising in his hopes of persuading the people of Zimbabwe that a one-party state would serve their interests best. He is now to hold talks with Mr Joshua Nkomo as a first step towards this. Party divisions on ethnic lines are plainly unhealthy. "There is no such thing as Ndebele or Shona: we are all Zimbabweans," said Mr Mugabe, stating the ideal not the fact. But a one-party state is a dangerous thing. It is not impossible for it to accommodate dissent and the possibility of elected change, but the tendency is the other way. And on the face of it, a one-party state would have no place for the white representatives and the Republican Front.

Lord Carrington is to visit Zimbabwe next month. He will no doubt convey the close and concerned interest with which the British people are following Zimbabwean developments. This year has been dubbed by the Zimbabwean Government as the Year of National Transformation. For better or worse?

For my part, though I go into London seldom, I am perfectly willing to have my rates raised to subsidize cheap fares because I want to live in a prosperous, thriving city. Yours faithfully, LYNNE REID BANKS, 16 Rosemont Road, Acton, W3, January 13.

Use of acupuncture

From Professor P. D. Wall
Sir, Your article on acupuncture in childbirth (December 31) does a disservice to mother-to-be and to all those in pain because it raises false hopes. I am associated with three hospitals which regularly prescribe acupuncture and the author of a theory of pain mechanisms used by Chinese as an explanation for acupuncture. Acupuncture is excellent when it works, but there is a rub. It has a very low rate of success. I have seen in China. The practical problems of chang-

ing therapy in mid-labour, when one fails, are unpleasant particularly for the mother whose high hopes are dashed and who feels a failure.

Acupuncture has been well known in Europe since the sixteenth century, when three detailed textbooks appeared. The medical profession is neither so stupid nor so reactionary nor so powerful as to be able to suppress a therapy which works. General anaesthesia and local anaesthesia were introduced extremely rapidly after their discovery in spite of the fact that their mechanism of action was a complete mystery. The reason was that these therapies had a reliably high rate of success unlike the previous methods such as hypnosis which, like acupuncture, has a low rate.

Yours sincerely, P. D. WALL, Department of Anatomy and Embryology, University College London, Gower Street, WC1 January 4.

Transport subsidies
From Miss Lynne Reid Banks
Sir, I cannot understand why the Government does what it does on London fares business. It was a Labour government which, most uncharacteristically, brought in this absurd law putting an obligation on London Transport to run like any ordinary business, trying not to lose money. Let the Tories do something good, and popular, for a change, and repeal it quickly, before the immensely costly and counter-productive policy of reversing the cheap-fares policy goes into effect.

There is not a major city in the West whose public transport system is not heavily subsidised to keep fares down. Why should not we, too, realise that it is in the interests of all Londoners, whether we travel by public transport or not, to keep the city thriving? If fares are raised every business and place of entertainment in London will suffer, not just the travellers.

LETTERS TO THE EDITOR

Troublesome disunity in the Alliance

From the Chairman of the Liberal Party
Sir, In today's Times (January 16) you report Dr Owen's view that the Alliance need be no more than a one-election arrangement to secure proportional representation in the next Parliament. Meanwhile Mr Jenkins at Hillhead has renewed his call for a long-term "partnership of principle" to work for national renewal. The contrast between the two is as bewildering to the electorate as it is to many members of the two parties.

Before the formation of the Alliance the Liberal Party had made commitment to proportional representation the pre-requisite to its participation in any future government. For years we have seen electoral reform as the key to dissolving Britain's adversarial political system. But those who seek to break the problems of long-term unemployment and industrial decline will all be completed within a year or so. Such changes will require sustained and courageous support, and an immense amount of firm but patient consultation with those involved. Otherwise we shall make the mistake of inflicting doctrinaire legislation on an uncomprehending nation.

I have not the least doubt that the Alliance under an agreed leader, and without any contingency plans for eventual break-up, is far more likely to win and hold support than an arrangement aimed at one election only with no certainty as to leadership or concerted strategy afterwards. To put such a limited proposition to the electorate would lend credibility to accusations that the Alliance was based on convenience rather than principle.

and that the main purpose of the SDF was not national renewal but the resuscitation of the "old" Labour Party. Against that background the campaign for electoral reform might itself be damaged by revisionism from the prospect of a more moderate socialist government.

This lesser view is not the vision which inspired Liberal Social Democratic workers on the streets of Warrington, Croydon or Crosby. Nor is it the vision which won Crosby and Croydon, and will win Hillhead, for the Alliance. The "old mould" which the rank and file of both parties are determined to see broken is not confined to the House of Commons, but is to be found in the uncooperative, self-protective and uninspiring attitudes which have become the curse of our national thinking. It will be tragic if this larger aim is lost.

Fortunately the Hillhead by-election will give Mr Jenkins the perfect opportunity to re-state the message of his historic Dingleby Lecture and proclaim the Alliance as a great and open movement for the benefit of Britain as a whole.

In his recent Times article (January 12) Mr Taverne warned that in due course the realistic alternatives for the Alliance are unity or death. I believe he is right. Unity cannot be achieved at once, especially as so many issues of policy have still to be discussed, let alone settled. But eventual unity must not be ruled out at least until the general membership of both parties have had the opportunity to accept it or reject it. Meanwhile neither party should take steps which would make eventual unity more difficult.

If Dr Owen's scenario were adopted we should be expecting members of both parties to devote the next couple of years to getting candidates selected whom thereafter half of those concerned would be working to depose. That cannot be the basis of a whole-hearted campaign.

Yours faithfully, ROGER FINCHAM, Liberal Party Organisation, Whitehall Place, SW1, January 16.

Efficiency of British Telecom

From the Chairman of British Telecom

Sir, I would like to comment on the spirit of your leading article "Public inefficiency" (January 15) and on some of the facts quoted.

The "public admission" you cited in fact referred to my recent message to all our staff. This was designed to show that although (contrary to your assertion) we had achieved some manpower productivity improvement in the year 1980-81, much more still needs to be done.

My message was an honest and realistic statement of our performance and prospects, with the emphasis on our management objective of seeking a 25 per cent improvement in our operating efficiency over the next three years.

This is a stretching target, and I think it somewhat rough justice to find the words I used as a spur to further improvement being used by you in evidence against me.

Perhaps I might set this task in context. Over the last 10 years we have doubled our system size with a minimal increase in staff numbers; during that period, our charges have increased much less than the general RPI (retail price index) movement; we have introduced much new technology into our services for the benefit of our customers; and over the last 12 months, in particular, service has greatly improved.

It was against these measures of our progress that I set the very real additional challenge of competition and stressed the importance of everyone, at all levels of our organisation, working together to do even better in the future.

For the record, the target reduction in our real unit costs is set by Government to be achieved over a five-year period, and not in a single year. Our performance against this target in the single year 1980-81 was affected by a number of factors, including the general economic recession; but our overall performance in the three years since our target was

set has been a reduction in unit costs of some 9 per cent.

That is less than our 5 per cent target — hence my message to staff — but still a significant achievement.

We aim to do better in future.

Yours sincerely, C. R. JEFFERSON, British Telecommunications, 2-12 Gresham Street, EC2, January 18.

From Mr G B Napier

Sir, There is no difficulty in finding examples to support your leading article of today (January 15).

We are a company developing this estate for private housing. We often act as contractors for British Telecom to lay their ducts and telephone cables in our footpaths. To their instructions we installed a small plastic chamber, called a JP23, for which we will be paid £8.50 for our work.

When British Telecom decided they wanted something larger, a small brick chamber 30ins x 18ins by 18ins deep. To knock out the first and build the second might take a man five or six hours and be worth £30.

British Telecom did the work themselves. On January 13 a large van arrived at 11 o'clock fitted with crane, compressor, every kind of tool and supply, and with two very nice chaps. Work began at 12 o'clock and ended at 1. The van returned on the 14th at 10 o'clock and left at 3.15, the work done.

The true cost of the labour and the van with its equipment, travelling 50 miles each day, would be about £250. Our relations with British Telecom are excellent, and all concerned would think this perfectly normal.

How do we break out? Yours faithfully, G. B. NAPIER, Director, Pinetrees Estate, Knowle Drive, Copthorne, Crawley, West Sussex.

Ulster teacher training

From the Very Reverend Canon Patrick J. Walsh

Sir, Your issue of January 13 carried an account of a press conference held in Belfast to announce a public campaign by the Roman Catholic community against the intended implementation of the Northern Ireland Under Secretary of State with responsibility for Education, of the two main recommendations of the interim report of the Childer review body on "The Future Structure of Teacher Education in Northern Ireland".

The first recommendation is that the two Catholic colleges of education, St Mary's for women and St Joseph's for men, should be closed and be replaced by a Catholic "element" which would have a separate legal and administrative existence in a Belfast Centre for Teacher Education on the site of the existing non-denominational state college at Stranmillis. The second recommendation is that only about half the teachers required for the Catholic schools should have Catholic training of any kind. The Catholic community in Northern Ireland is almost exclusively right to train Catholic teachers in Scotland.

While Northern Ireland remains under direct rule the very sizeable Catholic community demands that in the provision of training for teachers its religious rights must be respected by HM Government as those of Catholics in Great Britain have been respected.

Yours faithfully, PATRICK J. WALSH, Chairman of the Council of Priests for the Diocese of Down and Connor, St Mary's College, Belfast, January 14.

situation in the rest of the United Kingdom. England there remain six autonomous Catholic colleges of education each on its own site and the student intake to these colleges is based on an "historic share" which represents the proportion of teachers required for Catholic schools.

In addition there are two federations, at Liverpool and Roehampton, involving Catholic colleges but in each of these cases the Catholic college has retained its own site; the other institutions in the federations are voluntary institutions and there is a withdrawal clause. In Scotland the recent reorganization of teacher education left a split-site Catholic college, St Andrew's, operating in both Edinburgh and Glasgow, and that college has been granted an almost exclusive right to train Catholic teachers in Scotland.

While Northern Ireland remains under direct rule the very sizeable Catholic community demands that in the provision of training for teachers its religious rights must be respected by HM Government as those of Catholics in Great Britain have been respected.

Yours faithfully, PATRICK J. WALSH, Chairman of the Council of Priests for the Diocese of Down and Connor, St Mary's College, Belfast, January 14.

British arts abroad

From the Director-General of the British Council

Sir, I am evidently a partisan for the British Council and was of course delighted to read Mr Goch's letter (January 14) about the excellent work done by the British Council in China.

But not only in China: Henry Moore in Madrid and Lisbon, Gainsborough in Paris, Scottish Opera in Austria, Cambridge Arts Theatre in India, Academy of St Martin-in-the-Fields in Brazil, London Contemporary Dance Theatre in Warsaw are just a few examples of British Council involvement in showing British excellence abroad. Yet all our promotion in the arts is only about 4 per cent of our budget. How so? Because in our last financial year we also brought to Britain 28,700 people as students and on exchange schemes from all over the world, taught 150,000 students English in 28 countries, ran 100 libraries in 69 countries, were deeply involved in technical cooperation in developing countries and engaged in other manifold activities — all to promote a more enduring appreciation of Britain abroad.

We are well known in the 80 countries in which we have representatives. But how many people in Britain know and value our work?

Yours faithfully, JOHN BURGH, The British Council, 10 Spring Gardens, SW1, January 15.

Rail dispute

From Mr W. S. Hayes

Sir, Sir Richard Dobson (January 15) has hit the nail squarely on the head.

The best way to resolve this wretched dispute, in which the ministers of travellers, transporters of goods/mail and taxpayers are the principal sufferers, is for BR and Aslef to go to arbitration. Not the messy toings and froings inseparable from Acas's convolutions, but the proper, formal procedure in which the decision of the umpire (if one be needed) is final. Moreover, the arbitrators' umpire's findings would contain authoritative answers to Sir Richard's pertinent questions.

Yours truly, W. S. HAYES, Campbell Villa, Forest Row, East Sussex, January 16.

From Lord Strathallmond

Sir, If, as reported in your issue of January 14, British Rail have 3,300 locomotives, why do Aslef have a membership of approximately 20,000?

I am, Sir, yours faithfully, STRATHALLMOND, 18 London Street, EC3, January 14.

Proper names

From Mrs I. Willenz

Sir, For Continentals the task of addressing letters to someone in England is full of pitfalls.

My late husband, a scientist, received letters from abroad addressed to: 1. Mr Dr J. Willenz 2. Sir J. Willenz 3. His Honour Dr J. Willenz and myself was addressed as Mrs J. Willenz, Esq.

Yours faithfully, I. WILLENZ, 40 Brisbane Grove, Harborne, Stockton-on-Tees, Cleveland, January 12.

Getting in touch

From Mr A. Sandman

Sir, The most amazing part of the Mark Thatcher saga is the lack of proper long-distance radio communication apparatus.

In 1982 the size and weight is so small that it should be a rule that, to take part in rallies, this apparatus is carried. Yours faithfully, A. SANDMAN, 57 Primrose Hill Court, King Henry's Road, NW3, January 15.

Straight talk

From Mr H. F. Ellis

Sir, The plea for "honest English" made (January 12) by my comparatively youthful one-time colleague Mr E. A. Young is in principle compelling, but his examples of it could perhaps have been more happily chosen. When he reaches my age and (as some would say) condition, he just might prefer to be described as a physically and mentally handicapped old gentleman rather than as a crippled old madman. We shall see.

In the meantime he might lead the way to honest English by abandoning his customary and totally dishonest subscription, "I have the honour to be, Sir, your obedient servant", in favour of something like Yours (which isn't true either) faithfully, H. F. ELLIS, Hill Croft, Kingston St Mary, Tumm, January 15.

From Dr A. J. Ryder
Sir, while agreeing with many of the points made by Brian Crozier (January 12) may I suggest that

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- ☒ Money

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Falls

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- Bliss
- Edley
- Corcoran
- Joseph
- Murphy
- Phillips
- Peterson
- Rae
- Rustenberg
- Schwartz
- T. T. T.
- Thompson
- Wolcott

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Camping stores
take profits
lead, page 18

Business News

THE TIMES TUESDAY JANUARY 19 1982

ACC looks set to go to Holmes a'Court

Mr Robert Holmes a'Court could announce control of Associated Communications Corporation by Thursday and the only thing which would then stand in the way of a successful £36m takeover for Lord Grade's former company would be a reference to the Monopolies Commission.

There have been suggestions that his rival, Mr Gerald Ronson, could enlist the support of Mr Gill, former ACC managing director, who still retains 15 per cent of the ACC votes. But Mr Gill said last night: "I have never met Mr Ronson in my life. I cannot say any more."

At present, the Australian financier is caught by the rules governing quick-fire bids and today's High Court attempt by Mr Jack Gill to stop any transfer of shares.

It is thought likely that Mr Gill's attempt to stop share transfers before a vote has been taken on his £50,000 compensation payment for loss of office, which is part of a £750,000 golden handshake package, will fail.

Mr Holmes a'Court will be released from the seven-day cooling-off period under the Companies Act, which requires industry rules in the event of his agreement to buy Lord Grade's 27.5 per cent voting stake when Mr Holmes a'Court announced terms of his offer last week.

Mr Holmes a'Court still has to wait for a Monopolies and Mergers clearance from the Secretary of State for Trade. This is expected shortly.

Large institutional shareholders, taking legal action to stop Mr Gill's takeover, were increasingly sceptical last night that a £42.5m counter proposal to buy ACC by Mr Gerald Ronson's Heron Corporation would ever become a formal offer.

Meanwhile ACC's defence against legal action to stop Mr Gill's takeover, led by the Post Office pension fund, will be lodged with lawyers tomorrow.

The Post Office has been given an undertaking by ACC that it would not pay any money or sell property to Mr Gill until after a full High Court hearing in February.

The Post Office returns to the High Court on Monday for the undertakings to be extended.

It was earned last night that Mr Holmes a'Court has joined the Post Office pension in his capacity as a non-voting shareholder.

Lloyds group in lead for Bowmaker

By Our Financial Staff

Lloyds and Scottish, owned by Lloyds Bank and Royal Bank of Scotland, and one of the largest finance houses in the country, last night emerged as the front runner in the S G Warburg auction for Bowmaker.

Royal Bank of Scotland, whose proposed merger with Standard Chartered, along with a rival bid from the Hongkong and Shanghai Banking Corporation, was blocked by the Monopolies and Mergers Commission last Friday, is believed to have shelved its independent bid for Bowmaker weeks ago.

A decision is expected from Warburg later this week. Among a short-list of seven, are leading international banks including some from the United States and West Germany. Observers expect the winning tender price for Bowmaker to approach £100m.

There was some surprise in the City that Royal Bank had fallen by the wayside after showing initial interest.

The fact that it withdrew ahead of the Monopolies Commission report will raise a few eyebrows. Consumer finance had been seen as a suitable alternative in the absence of a merger with Standard Chartered.

Bowmaker is part of C. T. Bowring, the insurance broking group, which was taken over by Marsh McLennan of the United States. It was put up for sale last October.

Although it had a spell in the Bank of England's lifeboat during the middle of the 1970s, Bowmaker has recovered strongly. Net tangible assets are £50m and profits in 1980 were £5.7m pre-tax. There are over 100 offices throughout the United Kingdom.

No one from Royal Bank of Scotland was available for comment yesterday.

Shares in Royal Bank fell a further 7p yesterday to 119p continuing the slide which began last week as news that the bids were to be blocked leaked out.

Mr Michael Sandberg, chairman of Hongkong and Shanghai Bank paid a courtesy call on Mr Gordon Richardson, Governor of the Bank of England, yesterday.

The meeting was aimed at reestablishing friendly relations in the wake of the battle over Royal Bank of Scotland. The Governor strongly opposed Hongkong and Shanghai's bid which did not have Bank of England approval.

Grindlays sells two Hongkong offshoots

By Peter Wilson-Smith

Grindlays Bank is to sell two of its Hongkong subsidiaries to the Hong Leong Group for \$29.8m. They are Grindlays Dao Hong Bank, in recent years one of the most successful parts of Grindlays in the Far East, and the small deposit-taking company Grindlays Finance.

Hong Leong Group is a diversified property, financial and industrial group which operates in South East Asia, mainly Malaysia and Singapore.

The sale will require a Class 1 circular and is subject to shareholders' approval, although Grindlays' shareholders have already approved the deal. The subject of persistent takeover rumours, Grindlays is 49 per cent owned by the American Citicorp. Grindlays Holdings,

which owns the rest, is 41.4 per cent owned by Lloyds Bank.

Mr Alexander Ritchie, who was appointed chief executive last week, said the group wanted to reduce the disproportionate share of assets in Hongkong compared with the rest of the world but it would remain in Hongkong through its merchant banking subsidiary.

The two subsidiaries made pre-tax profits of £7.5m in 1981 and had a book value of £36.6m at the end of the year. This compares with a net worth for the whole of the bank of £130m at the end of 1980.

The proceeds of the sale will be repatriated to the United Kingdom, where Grindlays wants to build up its earnings to ease its tax problems.

Insurance expansion by Gill

Gill & Duffus, the commodity trading and financial services group, is to expand its insurance business by paying £6.63m for 50 per cent of Gilbrooke Insurance Holdings.

Further additions to Gill & Duffus' insurance interests are possible later this year.

Gilbrooke was jointly owned by Gill & Duffus and Brooke Bond Liebig, from whom Gill & Duffus is buying the stake. Gill & Duffus will now be the sole owner of Gilbrooke, whose operating company, Clarkson

Puckle Group, is a member of Lloyds.

Clarkson Puckle earned about £16m in brokerage income last year on which profits were an estimated £2.1m. It employs around 1,000 people in the United Kingdom and another 200 overseas.

Although it handles business from Brooke Bond and Gill & Duffus, most comes from third parties. Gilbrooke will continue as broker to Brooke Bond.

Mr Ron Blackman, deputy chairman of Gill and Duffus, said that his company was keen to develop financial services.

Mr John Thomson, deputy chief executive of Brooke Bond, said that Brooke Bond preferred to concentrate on its existing food and timber business.

Pre-tax profits of Gill and Duffus to the end of September fell by £3.1m to £20m, but the company intends to expand into sugar and grain trading.



Buying: from left, John Mather, Philip Mayo, David White, Peter Thompson, Geoff Fygal, Brian Hayward, James Watson.

NFC staff snap up bargain shares

Twenty-six thousand clerks, lorry drivers, warehousemen and typists are this week being offered control of the state-owned National Freight Corporation at a price city investors would be queuing the length of Lombard Street for, a banker said yesterday.

More than 80 per cent of the shares of the company, whose assets value is about £100m, are being offered by the Government to employees, pensioners and families for just over £4m. The remaining 20 per cent have already been snapped up by banks.

Seven senior managers have pledged £300,000 between them. Of these the biggest potential investor is the chief executive, Mr Peter Thompson, aged 52. He is putting up £40,000 with a bank loan on the strength of his £130,000 house in Radlett, Hertfordshire.

The basic reason for the staff bid, Mr Thompson makes clear in the prospectus reaching staff and pensioners this week, was to defend the company from predators when the Government had decided to "privatise" it. But, he adds,

"We had a vision. We believed, as we do today, that by treating a company controlled and owned mainly by employees, we were launching a new kind of industrial enterprise."

"We believe that this will help to get rid of the conflicts between management and workers traditional to British industry—the us and them attitude." In his place would be a new attitude of cooperation which should lead to improved efficiency, better prospects for employment, and better profitability.

Mr Thompson is coy about profit prospects but there is little doubt that employees, pensioners and relatives who stump up an average of £100 each next month can expect to double or treble their money by the time the shares go on general sale in 1985.

If the employees do not come up with the money the offer will fail and the Government will presumably find a different way of selling the company. But the directors are expecting it to be oversubscribed by half.

De Lorean loan talks continue

The search continues for a financial backer for the De Lorean car company, of Belfast, after an inconclusive meeting yesterday between the company and the British Export Credits Guarantee Department.

Further talks will be held at the Belfast offices of the Northern Ireland Development Agency tomorrow, but it was not clear yesterday whether Mr John De Lorean, chairman of the company, would be taking part.

No one would officially confirm that the meeting was taking place, and the secrecy on all sides suggests that negotiations are at a critical stage.

Mr Donald Lander, De Lorean's managing director, emerged from the ECGD's London headquarters to say: "We had a good discussion. We're still negotiating, and that's the main thing."

De Lorean is urgently seeking Government guarantees for a loan of £25m, to be followed by a further £10m in March. A sharp decline in demand for the cars in the United States, where they are sold, has been mainly responsible for three-quarters of the company's losses.

The ECGD, however, is unwilling to guarantee such a loan until it can be persuaded that De Lorean's financial position is strong enough.

Access to cut petrol commission

Access, the credit card company backed by five clearing banks, is to announce reduced commission charges for petrol retailers.

This was indicated after talks yesterday between Access and the Motor Agents' Association (MAA) after a dispute over the surcharging of customers by some petrol retailers.

Separate talks between the MAA and Barclaycard, the other big card operator, showed that Barclaycard was unwilling to reduce its commission rates further.

Barclaycard charges an average 2 per cent of each credit card transaction compared with more variable Access charges which the MAA claims can be as high as 2.9 per cent.

Surcharging had gone to 15p or more for each transaction as petrol retailers complained of the card company commissions soaking up half or more of the gross profit margin on petrol. But surcharging should be wiped out within a few weeks. Both card companies are no longer any retailers still surcharging that they could forfeit their card agencies unless they come into line.

BNOC may lose its rights to liquid gas

By Our Industrial Staff

Renewed protest from the Opposition is expected in the House of Commons today when the Government's controversial Oil and Gas (Enterprise) Bill for the privatisation of the state's North Sea oil and gas interests has its second reading.

The Bill, which the Government hopes will complete its parliamentary passage by the autumn, allows for the disposal of the British National Oil Corporation's oil production interests while maintaining the corporation's right, through its trading arm, to buy up to 51 per cent of all oil produced in the North Sea.

The Government's plans also include elimination of the British Gas monopoly on purchase of gas, the opening of the gas supply market to private competition and the sale of the gas production exercise ever introduced by any British Government.

Today's second reading comes amid speculation that Mr Lawson is intending to end the BNOC's right to purchase 51 per cent of all liquefied petroleum gas (LPG) produced in the North Sea before the new Bill becomes law.

Such a move would take the proposed new state trading company out of the uncertain liquid gas market but the Government's opponents argue that it would reduce the company's bargaining powers with private oil companies and increase its financial vulnerability.

A Department of Energy statement is being prepared, possibly for release today, stressing that BNOC will retain a considerable role in handling LPG.

Leading the Opposition attack on the Bill will be Mr Ted Rowlands, a Labour front bench energy spokesman, who has described the break-up of the BNOC as leaving the nation with a weakened and vulnerable oil trading company dealing in the narrowest of margins in a volatile oil market.

'Profit' of £15m on doomed smelter

By Edward Townsend
Industrial Correspondent

The financial settlement between the Government and British Aluminium after the company's decision to close its Invergordon smelter in the Scottish Highlands has left the company £15.5m in credit.

Full details of the terms were given to MPs yesterday in a Commons statement by Mr George Younger, Secretary of State for Scotland, in which he confirmed that £21.2m of government loans made in 1968 to the company had been waived.

British Aluminium announced the closure last month and laid the blame firmly on the high cost of energy. Almost 900 jobs will be lost.

Mr Younger said that after termination of its contract with the North of Scotland Hydro Electricity Board, which provided the company with a share in the capacity of the Hunterston "B" power station, British Aluminium was left with £32.3m after payment of disputed power charges.

His statement also said that the company had a £15.5m credit with the Government after the closure of the smelter.

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Stock Markets	
FT Index 52.7 up 3.1	
FT 100 52.90	
FT all share 309.52	
Bargains 19.166	
Sterling	
\$1.8830 up 1.45 cents	
Index 90.8 up 0.2	
Dollar	
Index 109.1 up 0.1	
DM12.2987 down 135 pts	
Gold	
\$372.50 down \$4.00	
Money	
3 mth sterling 151-154	
3 mth Euro \$144-146	
6 mth Euro \$15-154	

PRICE CHANGES

Rises

APV Hides	7p to 245p
As News	10p to 188p
BK of Scotland	10p to 43p
RAT Ind	17p to 373p
Daily Mail Tst	10p to 395p
Devonish	40p to 370p
East Star	6p to 16p
Elliot B	15p to 323p
Gen Accident	6p to 312p
CT Unit Stores	7p to 453p
Grindlays Hides	10p to 211p
Husky Oil	15p to 413p
Inchape	10p to 293p
Utd Scientific	20p to 585p
Wiglit B	12p to 133p

Falls

Angle Am Corp	15p to 613p
Barlow Rand	10p to 415p
Blyvoors	14p to 467p
Broken Hill	15p to 565p
Cornell Dresses	13p to 105p
Joseph L	10p to 233p
Middle Wits	15p to 580p
Philips Lamps	9p to 433p
Prentiss P Cem	10p to 350p
Racal Elect	10p to 375p
Rustenburg	8p to 194p
Seitrus	21p to 406p
UC Invest	10p to 580p
Ultramar	10p to 580p
Welkom	14p to 467p

Takeovers warning

More takeover of investment trusts, particularly by pension funds, are inevitable if discount ratings fail to improve, say fund managers.

Shares of companies which make up the £9,000m industry are trading at near-record discounts.

Brokers Wood McKenzie put the average discount on non-specialised general trusts — those most vulnerable to a takeover — at 29 per cent with about 17 of them showing discounts of 33 to 35 per cent.

In an effort to fend off unwanted takeovers, fund managers are revamping their image and changing trust names to describe more accurately the areas in which the funds invest.

Sterling gains as dollar slips

Sterling ended London trading in its best levels of the day with a gain of 1.45 cents to \$1.8830. The dollar, which had strengthened earlier after the surge in the latest United States money supply figures, fell back in the afternoon in the wake of renewed signs of American recession and easing Eurodollar interest rates.

The pound was also boosted by indications that the miners not give the required majority for strike action. It traded weighted index against a basket of currencies improved 0.2 to 90.8.

New Ulster job fears

Unemployment in Northern Ireland will rise this year from 109,000 to 118,000, or 21 per cent of the workforce, according to a new survey.

A study by Coopers and Lybrand, the consultants, forecasts that 8,000 jobs in manufacturing and 5,000 in service industries will be lost. But 3,000 new jobs will be created in the construction industry.

Introducing the survey yesterday, Mr Noel Stewart, a senior partner, said Ulster needed a "rescue unit" free from restrictions and comprising government and business representatives.

Figures published yesterday by the Central Statistical Office show that industrial production fell by 1.5 per cent in November, wiping out much of the two per cent increase in October. Strikes in the motor industry and lower demand for gas and electricity after October's exceptionally cold weather accounted for nearly a third of the drop.

Output in manufacturing also fell by 1.5 per cent between October and November across a broad range of industries, more than outweighing the 1.1 per cent rise the previous month and leaving production nearly 3 per cent below its September level.

The Bank of England marginally lowered the rate at which it bought short-dated eligible bills from the discount market yesterday, to a level of 14.5-16 from the 14 per cent ruling previously. But the move was generally seen as more to do with the Bank's wish to encourage greater use of bill finance (as opposed to overdrafts) rather than as any pointer to interest rates generally.

Iran's Oil Minister said yesterday that his country would seek to boost its oil exports in order to boost its much needed hard currency reserves.

Alfa Romeo yesterday laid off 30,000 workers and closed its factories for three weeks to reduce a growing stock of unsold cars, it was announced in Milan.

BUSINESS BRIEFING

Output fall dashes hope of rapid recovery

Industrial output fell sharply in November after a big jump the previous month, disappointing hopes that a rapid recovery was under way.

But the underlying trend suggests continued sluggish growth, in line with Government forecasts (Frances Williams writes).

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Japanese surplus up

Japan announced yesterday that its trade surplus with the rest of the world last year rose to \$8,890m, boosted by record balances in its favour with the United States and the European Community.

The surplus, calculated on goods passing through customs, was half the record \$18,200m surplus in 1978, but was a sharp turnaround from 1980 when Japan had a record trade deficit of \$10,720m. Vehicles remained the largest single export item, accounting for nearly 18 per cent of total Japanese overseas shipments.

However, fuel imports which have in past years been a big deficit-producing item in Japan's trade, moved up only 4 per cent, with purchases of crude oil increasing just over 1 per cent from 19

BY THE FINANCIAL EDITOR

Banking sector still buzzing

Bankers can move quickly when the pressure is on. The first working day since the Monopolies Commission blocked the rival bids for Royal Bank of Scotland set the industry alive with speculation. News that Lloyds and Scottish, split 60/40 per cent between Lloyds Bank and RBS, has joined the Warburgs auction for Bowmaker prompts a question about RBS strategy. And the sale of part of Grindlays Holdings' Hongkong interests hinted that the overlong saga of Grindlays could at last be on the final lap.

Both items of news have important implications for the RBS preferred strategy now that the merger with Standard Chartered has been blocked. Consumer finance is an attractive diversification move for RBS, and Bowmaker, formerly part of C T Bowring, would have fitted the bill admirably at a cost of around £100m.

But Lloyds Bank, which wishes to buy out the RBS stake in L and S, would seem to be in with the best chance and RBS can be counted as out of the running. The alternative for RBS would be to buy the instalment credit division of First National Finance Corporation which has a loan portfolio of about £110m and would be less costly than Bowmaker if not as attractive.



Sir Michael Herries — chairman of the Royal Bank of Scotland

Grindlays Bank is another possible option for RBS. There could be a case for some horse-trading between Citibank, which owns 51 per cent, and Lloyds, which controls 41.4 per cent of the holding company.

Citibank may be happy to sell its stake for some RBS branches. For RBS the attraction of Grindlays lies in its overseas interests, principally in the Far East.

Any deal over Grindlays however, is likely to depend upon the strategies of Lloyds Bank and Citibank with RBS placed very much in the position of suppliant. Outside consumer finance and Grindlays, RBS has more freedom for manoeuvre. The Williams and Glyn's branch network in England (and Wales) could be expanded. Mergers between building societies could help release suitable premises, enabling W & G to increase market share from the present 2.7 per cent. Ironically, this option, by stressing that W & G is the growth-led partner, somewhat destroys the commission's Scottish argument.

Lastly, RBS might pursue its international ambitions by buying a United

States bank. North Sea oil expertise favours a Texan bank with a fair price and an agreed "must" conditions.

National Freight Corporation

Over the next few weeks thousands of lorry drivers will be supplementing their daily reading diet with details of the staff buy-out at the National Freight Corporation. Although the prospectus has been written with admirable clarity, the best argument they have for parting with cash is that a group of banks are putting up £51m to start NFC on a proper financial footing. Not only are the banks putting their money where their mouth is, but they will end up with an equity participation of 17.4 per cent for a minimum of five years.

Indeed, that is about the only argument prospective purchasers do have. The prospectus admits that a more conventional privatization channel, such as a stock exchange flotation, would have been doomed to failure because of the group's poor profits record, and there was the danger of NFC being gobbled up by a predator. There are no profit forecasts and employees just have to take on trust the consortium's assertions that the business is in better shape. Recent history at NFC would lead harder-bitten investors to be more sceptical about this. But Barclays Merchant Bank, which has masterminded the idea, presumably has access to NFC's corporate development plan and cash flow projections and reckons it will see its money back.

Employees have been given the extra bait of an interest-free loan totalling £3m to persuade them to take up shares. But after the initial enthusiasm there have been more signs of the pocket overruling the heart and the attitude of trade unions, like the GNVU, — ideologically opposed to demutualization — could still scupper the plan. If enough employees do not subscribe, NFC goes back into the melting pot and could be sold piecemeal to the private sector.

Meanwhile, the banks have been breaking new ground with the NFC scheme, not only because of the sheer scale of the buy-out, but in their willingness to lend a large amount of money on a balance sheet that would scare the pants off the average branch manager.

The French Government will be anything but delighted with the Constitutional Council's rejection of parts of its nationalisation bill. The bare bones of the matter is that the nationalisation plan is broadly upheld in principle — the major change being to add a number of co-operative banking groups to the list — but that the basis of compensation is rejected.

In short, a shopping list that was set to cost the government of the order of Fr 430,000m now looks likely to cost nearer Fr 440,000m. The major changes in the basis of compensation will come from taking account of the 1981 dividend, new inflation-adjusted criteria for historic share price performance, and the use of group rather than parent company net assets.

Major beneficiaries of the new basis of compensation should be companies like Pechiney, where some estimates suggest the government may have to raise its price by 80-90 per cent.

'It is often very difficult for a jury to understand what fraud cases are about. Often the judges do not really understand it themselves. Or they are not strict enough and allow the defence counsel to confuse everyone and drag out the trial for a ridiculous length of time. It was quite impossible for a jury to cope with a case sitting for months on end.' — Lord Shawcross

Fraud trials — the legal system reaches breaking point

Are fraud cases becoming too costly, time consuming and difficult to bring? Recent delays by the Director of Public Prosecutions in deciding whether or not to bring fraud charges in certain cases have encouraged speculation that the DPP may be looking even more carefully than usual at both his reports and his wallet before instituting proceedings.

Such unkind remarks are

running criminal trial in our history. And, with costs estimated at £3m, also one of the most expensive. This case, over allegations of a £25m fraud, originally started in 1979 and ran for 137 days before being stopped after a member of the jury had been approached. The reason for the re-trial had nothing to do with its being a fraud case but even at this stage the costs were estimated at £1.25m. The re-

Margaret Drummond

of course instantly rebutted by the DPP's office. What cannot be ignored, however, is the great length and some recent fraud prosecutions, and the recent loud grumblings from both inside and outside the courtroom about the inadequacy of the system.

Lord Shawcross, a former Attorney-General who for years was chairman of the City's Take-over Panel, combined commercial and legal experience in a unique way. He is all too familiar with the problem:

'It is often very difficult for a jury to understand what these cases are about. Often the judges do not really understand it themselves. Or they are not strict enough and allow the defence counsel to confuse everyone and drag out the trial for a ridiculous length of time. It is quite impossible for a jury to cope with a case sitting for months on end.'

Recent cases at the Central Criminal Court illustrate the problems. In a case just before Christmas the judge actually apologized to the jury for having to sit through a case of great complexity. Several of the fraud charges involving aircraft insurance had already been thrown out because conflicting evidence from expert witnesses might have confused the jury. This case ending in an acquittal, only went on for a month — modest by fraud trial standards.

Last December also saw the final chapter in the Universal Banking case — now notorious as the longest

trial started in September 1980 and lasted for a further 137 days. The jurors, who had served eight months in the second trial, were understandably discharged for life.

Judge Brian Gibbons QC declared there should be a political decision about whether complex financial cases should continue to be tried by a jury. His view was that fraud trials could be dealt with more swiftly and cheaply by a panel of financial experts.

When the Universal Banking case finally arrived in the Court of Appeal last month, Lord Chief Justice Lane remarked that big fraud trials placed too great a strain on judges and juries: 'I am beginning to wonder whether anyone can receive justice in a case like this.'

The Universal Banking saga was spectacular because of its cost and length, but it was by no means the only controversial fraud case at the Old Bailey last year. In March another case, involving allegations of an accountant's fraud, was abandoned after five months at an estimated cost of £750,000.



Lord Chief Justice Lane: thinks big fraud trials place too much strain on judges and juries.

Earlier in the year the Court of Appeal overturned the conviction of Mr Harry Landy and two other defendants in the Israel British Bank case, which had been another 90-day trial. An Appeal Court judge drew attention to the problem of juries assimilating evidence in fraud trials, remarking that the original trial judge had "got lost in the trees and missed the wood" and criticised the fact that the jury had been "overloaded with facts".

Many of those involved in fraud proceedings from the police to the judges whose unhappy task it is to preside over these costly, complex cases point to the jury system as a major stumbling block.

Lord Shawcross says that theoretically he would like to see many of these cases tried by a judge with expert assessors trained to follow

evidence and familiar with financial matters.

'But in practice I think this would be totally unacceptable to the British people. An alternative might be the special jury system now abolished which was particularly useful for fraud trials since it could be drawn from people whose background indicated they could comprehend the evidence.'

Dr Michael Levi, lecturer in criminology at University College, Cardiff, whose study of fraud, "The Phantom Capitalists", was published last month agrees that the special jury option might be more acceptable.

'The original idea of a jury in criminal cases was trial by one's peers — people acquainted with the customs of the area. Nowadays in fraud trials it is really not the case. Frankly, even I would have difficulty in following some of the evidence.'

'When I wrote my book I spoke to several jurors who had sat on major fraud trials. They said they felt completely disorientated and had been asked to deal with matters they felt they were really not able to understand.'

Keeping jurors awake amid a sea of documents is not the only problem with fraud prosecutions, says Dr Levi. It takes a long time from the first whiff of something burning in the kitchen to get a case into court.

The affairs of London and County Securities, the secondary bank which collapsed in the mid-1970s, took three years to investigate with a Department of Trade inquiry running alongside. The trial itself was rather like Hamlet without the Prince, since the group's founder, Mr Gerald Caplan, successfully resisted all attempts to extradite him. Extradition is a perennial problem in fraud investigations.

Attempts have been made to deal with the problem of conflicting jurisdictions which have in the past slowed down proceedings. There is now a special department to deal with matters of interest to both the Department of Trade and the Fraud Squad.

And there has been increased cooperation between the police and the DPP's office over the past 18 months since the Attorney-General Sir Michael Havers, QC, made suggestions for improving the system of prosecuting fraud.

Meanwhile 1982 is already threatening to be a vintage year for City scandals eliciting the usual chorus of complaints about self regulation not working.

Westland Aircraft Limited

Extracts from the Statement by the Chairman, Lord Aldington.

In the prevailing climate the Westland Group performance in the year ended 30 September 1981 was heartening. Sales were lower than we had hoped but in real terms only a small drop below 1980 and level with the sales of the previous year. Orders were difficult to get, particularly for helicopters in the overseas defence market, but our total order book stretching several years ahead stands in real terms at about the same level as a year ago. Profits before tax showed a slight improvement in historical cost terms; but after eliminating specially favourable factors in both years, there was a gain in 1981 of about £6.5m even after writing off redundancy, closure and reorganisation payments of over £2.6m. This shows that we are continuing to improve our efficiency and to strengthen our competitive position — and at a vital time.

ORDER POSITION

Planned output for the current year is covered by orders up to 85%. For the longer term, the interest in our new civil helicopter — the Westland 30 — is continuing to increase and orders for 10 have now been received. Orders for military helicopters expected last year but not received have not been placed elsewhere, and there are some new good enquiries, but it will take some months before these expectations and enquiries are converted into orders. In parts of the Group workload is having to be replanned. Research and development work is proceeding well and nothing has happened to reduce our hopes for the EH.101 as well as for the later models of the Lynx and of the Westland 30, for the new hovercraft designs and for the new products in Normalair-Garrett Limited.

RESEARCH & DEVELOPMENT

As with other helicopter companies in the world we need to incur heavy charges for research and development and in due course launching costs. Last year we made a special provision for learning costs on the Westland 30. We see no reason to alter that provision. The total of £11.1m spent on research and development on private venture account was higher than I forecast a year ago (£10m) entirely because of the agreement we made with the Secretary of State for Defence that we would bear £300,000 per month starting from July 1981, of the costs of the international project definition phase contract in relation to the EH.101 lasting nine months and totalling £2.7m.

We intend that our private venture R and D expenditure will rise during the next few years, and we expect that our total effort will continue to be supported by the U.K. Government. Our ability to finance R and D expenditure ourselves is growing as our profits improve; the importance of the level of governmental support is that the greater it is, the quicker we

SUMMARY OF RESULTS

	Year to 30 September 1981	1980
Sales	£257,680	£244,345
Profit before tax — Historical cost	27,352	26,927
Profit before tax — Current cost	18,221	14,406
Profit attributable to shareholders — Historical cost	17,995	16,760
Earnings per 25p share	30.4p	28.3p
Dividends per share	7.0p	5.5p
Development Reserve	14,000	14,000
Shareholders' funds	114,937	101,092

can proceed with the development of new projects so that we can catch the new markets before they are lost.

CASH AND LIQUIDITY

Our total inventory increased in 1981 by £29.9m. This increase is not due to lack of inventory control. During the year in Westland Helicopters we decided to add to stocks of certain raw materials and components in order to improve competitiveness. Debtors in relation to sales are lower than last year, but not as low as we would wish.

At the end of September 1981 the Group's bank borrowing amounted to £4.9m of which £3.6m was on the Normalair-Garrett account for which our balance sheet carries the full amount although our shareholding is 52%. At present we have borrowing facilities of £43m.

HELICOPTERS

Helicopters remain and will remain the prime part of our Group. We look to a considerable expansion of helicopter sales in later years.

On the EH.101 international project definition contract, work is continuing well both at Yeovil, and in Italy by our Italian partner, Augusta. Both Augusta and ourselves have no doubts at all about the value of the EH.101 helicopter for naval, civil and military transport purposes. The EH.101 will have 50% more payload and more than twice the radius of action of the Sea King.

Production of the Westland 30, Series 100, is proceeding according to plan. There is growing interest world-wide. Certification trials are going well and the helicopter is proving to be better than we expected.

Copies of the Annual Report and Accounts can be obtained from the Company Secretary at Yeovil.

Business Diary: Sad as a hatter

Is the English male wearing more hats again? Italian statistics would suggest so, for the export of hats to Britain rose last year by 8.7 per cent, to 7,146,172 from 6,573,377 in 1980. This is part of a general improvement in the popularity of Italian-made hats sales for which on a world basis rose by 19.6 per cent to more than 101 million last year, with particular success in the markets of South Africa (up 108.1 per cent), Spain (up 84.7 per cent) and Australia (up 77.2 per cent).

But statistics can be misleading, and a very different picture is given by Vittorio Vaccarino, chairman of the family firm of Borsalino, where hats are a Trilby or a Homburg is or was to the middle-aged Englishman. The figures issued by the Government Statistics Office, he explains, are for all kinds of headgear — proper hats, cloth caps, anything for sports use, or for protection from the sun at the seaside.

For Borsalino, things are not what they were. At the turn of the century the family business was turning out 2,500,000 "Borsalinos" a year with 2,000 workers. Now a workforce of 350 produces about 200,000.

'It's a world phenomenon, this decline in hat of quality,' sighs signor Vaccarino. 'Our rivals just need sewing machines.' In the United States, there has been a revival in sales of cowboy hats, so the firm includes these in its samples, but says Vaccarino: 'I can't see them catching on here.'



Bernie Cornfeld: Fund of Funds used to be his.

Count us out

Ian Hay Davison, the new chairman of the Accounting Standards Committee, is watching with interest the outcome of an accounting standards case in the U.S. This concerns about 1,000 partners in the American end of the worldwide accounting partnership of Arthur Andersen — Hay Davison is the senior partner of the British operation.

The American partners are appealing against a ruling by a federal judge which awarded damages of about \$120m against them to shareholders in Fund of Funds, which used to be part of Bernie Cornfeld's IOS empire.

This sum is about \$70m. More than the Andersen US partners had in indemnity insurance cover at the time the claim was made in the 1960s. Davison like Arthur Andersen people anywhere,



Ian Hay Davison: Partner-ship... to a point.

makes much of the worldwide unity of the partnership, but when he spoke to *Business Diary* it became clear that this unity stood short of chipping in should the American partners' appeal fail. 'The idea of a worldwide partnership is a philosophical rather than a legal one,' he says.

Oil ministers

It is not often that virtually all senior members of a new government agree to be questioned by representatives of the world business community on its policies, but this is what France's Socialist government will be doing at a conference to be held in Paris on February 8 and 9 under the sponsorship of the International Herald Tribune.

They will speak briefly and answer questions from up to 300 foreign businessmen gathered at the Intercontinental Hotel. The businessmen will each be paying 5,500 francs a head for this ministerial jamboree came from Belgian publicist Bernard Le Grelle, aged 30.

'What gave me the idea was the conference organised by the National Journal in Washington last April when leading members of the Reagan Administration explained their policies to around 100 United States industrialists. The arrival of a Socialist government in France seemed to me just as important as the Carter/Reagan change in the United States.'

When Le Grelle put the idea to the International Herald Tribune publisher Lee Huebner, the response was an immediate 'OK'. If you can get the ministers,' Le Grelle did, either by ringing them up himself or by contacting them through intermediaries such as his collaborator Françoise Boucier.

Prime Minister Pierre Mauroy was a little reluctant at first because of the reception he got at a business conference in Paris last year. But he was finally won round, and soon after a third of the French cabinet had agreed. Of the five ministers of state only Communist transport minister Charles Fiterman will not be there.

It is comforting to know that you can still get a good read for 1p. The 1946 Act nationalising the Bank of England is still on sale — a few copies left — at Her Majesty's Stationery Office for just that princely sum. (The original price was 2d) which must make it one of the cheapest bits of reading on sale anywhere. Does this tell us something about nationalisation or perhaps that the Bank of England has done a better job as guardian of the currency than we are thought?

Ross Davies

Wallchart

I'M HAVING LUNCH WITH OUR BANKERS TODAY.

I SUPPOSE I SHOULD TAKE THEM SOMEWHERE SPECIAL.....

LET'S FACE IT—ULTIMATELY, THEY'LL BE PAYING ANYWAY....

Rowing Olympic oarsmen receive suspension

By Jim Raitlon

Two of Great Britain's Olympic rowers — Len Robertson and Gordon Rankine — have been suspended by the Amateur Rowing Association (ARA) from competing for four calendar months in domestic or continental regattas from January 1, 1982. The disciplinary action arises from the oarsmen's refusal to accept the ARA's national squad headquarters at Hammersmith. The rowers were arrested at several hours in custody at Wandsworth police station. But the charges were dropped.

The two oarsmen had until noon today to make an appeal to the ARA council through its executive against their suspension. In a letter received by the ARA, Rankine said that the rowing equipment taken was not part of that for which they had been given permission to use for a defined period. Rankine had to be taken and both of you now accept that you had acted wrongly and irresponsibly.

The two oarsmen are expected to refuse the latter's offer. They are expected to argue that they received permission to take the equipment; it was known by various people that they had possession of the equipment; and that they received no direct return from the ARA to return the oars and seat.

Rankine handed over the equipment immediately when the police called at his home. The sport will surely be expected to be taken care of by the ARA. It was found necessary to call in the police and for two distinguished international oarsmen to be arrested.

Mr Robertson of Thames Tradesmen Rowing Club has represented Great Britain in European, World and Olympic regattas for more than 10 years since 1970 winning a World and Olympic silver medal in eights. Rankine (Leander) has represented Great Britain in eights and reached two World finals in eights. A coxswain Richard Baxall (Thames Tradesmen) who was associated with the oarsmen has been exonerated. Robertson is presently training with the national squad at Hammersmith and their head coach Miss Penny Chuter.

Mr Robertson told me yesterday that when the police arrested him "he thought it was a joke until I was formally charged, had my tie and shoes removed and was taken to a cell for almost five hours." Rankine admitted that "I think we overstepped the mark by not returning the equipment which was really an oversight, but the whole matter is really circumstantial and not a deliberate act. It is really very sad that the sport which has achieved so much in the last decade at international level should be represented like this. Many will be angry."

A four months ban on the athletes would, in effect, remove them from the popular rowing race on the River Thames on March 20 which is a rowing festival carrying considerable prestige, particularly in this, the ARA's centennial year.

"If the oarsmen's suspension is supported by the ARA executive they themselves may find some embarrassment with the rowing community," said a spokesman for the leading Tideway club captain told me yesterday, in disbelief over the suspension. Many will feel within the sport that the rowing community is being treated unfairly and that two distinguished international oarsmen after years of dedication should be given the benefit of any doubt whatsoever.

Volleyball

Back with a creak — and two surprises

By Paul Harrison

The English season creaked back into action at the weekend, after a weather-enforced break which stretched back before Christmas. The first encounter in the men's Mikasa Cup, Grandwood Rockets, from Nottingham, seventh in the first division, went to Kelly Gifford, international, second in the league and cup finalists last season, and won by three sets to two.

And Weymouth Rembrandt took advantage of a home draw in their quarter final round to win with Liverpool Cardinals to win 3-0, again turning league form upside down.

Now Rockets entertain Weymouth in the outsiders' semi-final, and Spark, from London, play Speedwell Rucanor, Bristol, the holders, in the other on February 28.

In Scotland, Tass kept up their challenge to leaders MIM in the Royal Bank national league division title race, defeating Coatbridge 3-0. Coatbridge lost home advantage when the game had to be switched to Bellshill. The home court because the Coatbridge hall did not have heating. MIM's game was cancelled because of hall closure, also because the heating system was frozen up.

DV 81, a new team created out of the amalgamation of Dalziel High School and Volero last off-season, beat fifth-placed Kilmarnock 3-1 in an upset, while Paisley must have been disappointed following their 3-2 defeat by Falkirk.

In the women's league, the first three, Telford, Whitburn and Duddis, were missing from comfortably 3-0. Telford beat Cummock to stay in front. Cummock are missing Gordon, experienced national team setter. Moira McIlvenney, who has been out ever since she tore an achilles tendon playing in the North Sea Cup competition in Norway in November. Her leg is now out of plaster and she is making good progress, but she will not be playing again before the end of the season and that is making an appreciable difference to relegation-threatened Cummock.

Cricket

Test

From Richard Streeton

Madras, Jan 18

India finally gained a first

innings lead of 153 after

half an hour before lunch today.

The precise margin of India's

advantage was the only relevant

fact in the first Test match, which

was destined to be drawn from the

second day onwards. It was the

fourth consecutive Test match in

this rubber and India, having

won the first Test, are assured,

at least, of sharing the series.

In reality, everyone is already

resigned to the sixth and final

Test in Kanpur ending in a

draw, a sort of stalemate. Conditions

for batting remained

perfect to the end of today's

game and the players went

through the motions in the later

stages of the usual embarras-

ment that is inevitable in the

circumstances. No other game,

surely, can equate cricket for

providing such long drawn-out

drama in some instances, or such

pointless futility in others.

England, who batted at 307 for

their first 21 runs, which in some

ways could be considered a slightly

tame surrender, in succession,

lost the ball out wildly in Kapil

Dev's first over and the bowler

insisted on the right from a bery

close fielder, who kept his

ground in front of him. Under-

wood was caught off the spine

from a lifting ball, Taylor played

on and Allott turned a catch to

and to his right, held a fine catch

not field later, to rest a bruised

foot or England would probably

have provided the third instance

of a disastrous history of all

eleven bowlers.

Kapil Dev took three of the

four wickets and figures disclose

the important role played by

their two left arm spinners. Before

the innings ended, Kirmani

allowed a wild 50 from Kapil

Dev to pass through his gloves

down the legside for a solitary

bye which has to be mentioned.

The first Test in this series

wicketkeeper has conceded since

England's second innings in the

first Test and since then England

have scored 1,364 runs. Records

in such matters are sparse, but of

its kind it has been an unusual

achievement by Kirmani, who on

his form in this series must be

close to being the best keeper in

the world at the moment. Ending

England's dismissal of the

bowlers managed ten overs in the

first hour of the afternoon, although

there was a five minute hold-up while

Roy was changed over to the

last Test match. Kapil Dev on

drove Underwood for one big hit

and another was scattered by the

umpire despite signals from

Willis, the fielder, and roars from

the crowd, that the ball landed

inside the field.

When Taylor was given his

first bowl in a Test match, it

emerged that his style is a

mixture of gentle medium pace

and slow full tosses.

In the afternoon they switched

to batting. The English deep

fieldsmen with orange peel and

other refuse. Underwood, at deep

end, was the chief sufferer and was

eventually replaced in the firing

line by Botham. To his credit Botham

played an important part, as the

police moved in restoring order,

with various antics that kept the

crowd amused. Willis meanwhile

bowed with full commitment and

suffered the indignity of being hit

for six by Gavaskar over Dilley's

head. Willis, however, the batsman

helped a rearing ball on its way

rather than launching into a

proper knock stroke, but it was

still a remarkable feat. Willis

gained his revenge, however, by

utterly beating Taylor with a

splendid cross-batting and low

and to his right, held a fine catch

at second slip. Malhotra came in

next and he and Roy, both making

their first Test match appearance,

gathered runs with style and

freedom as the game became

increasingly light-hearted. Each

man hit a four when Kirmani

bowed, but the last ball of the

over brought England a wicket

when Malhotra was run out. He

played a ball to mid on, set off

for a run, stopped, and then

resumed while Roy did not move.

Botham's throw was straight into

Taylor's hands, which gave the

bowler further chance to

applaud their idol.

After tea, Gavaskar kept wicket

but once again it was Botham

who made his mark. He bowled

the last ball of the match, and

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